

SENATE.

TUESDAY, February 15, 1921.

(Legislative day of Monday, February 14, 1921.)

The Senate met at 11 o'clock a. m., on the expiration of the recess.

NAMING A PRESIDING OFFICER.

The Secretary (George A. Sanderson) read the following communication:

THE UNITED STATES SENATE,
PRESIDENT PRO TEMPORE,
Washington, D. C., February 15, 1921.

To the SENATE:

Being temporarily absent from the Senate, I appoint Hon. CHARLES CURTIS, a Senator from the State of Kansas, to perform the duties of the Chair for the remainder of this legislative day.

ALBERT B. CUMMINS,
President pro tempore.

Mr. CURTIS thereupon took the chair as Presiding Officer.

CALL OF THE ROLL.

Mr. KING. Mr. President, I suggest the absence of a quorum. The PRESIDING OFFICER. The Secretary will call the roll.

The reading clerk called the roll, and the following Senators answered to their names:

Ashurst	Gooding	McCumber	Smith, S. C.
Ball	Gronna	McKellar	Smoot
Brandegee	Hale	McLean	Spencer
Calder	Harris	McNary	Stanley
Capper	Harrison	Moses	Sterling
Coit	Heflin	Nelson	Sutherland
Culberson	Henderson	New	Swanson
Curtis	Johnson, Calif.	Overman	Thomas
Dial	Jones, Wash.	Phipps	Townsend
Dillingham	Kellogg	Pittman	Trammell
Edge	Kendrick	Poin Dexter	Underwood
Elkins	Keyon	Pomeroy	Walsh, Mass.
Fernald	Keyes	Ransdell	Walsh, Mont.
Fletcher	King	Reed	Warren
Frelinghuysen	Knox	Sheppard	Williams
Gay	La Follette	Simmons	Willis
Gerry	Lenroot	Smith, Ariz.	Wolcott
Glass	Lodge	Smith, Ga.	

The PRESIDING OFFICER. Seventy-one Senators have responded. A quorum is present.

CREDENTIALS.

Mr. LODGE presented the credentials of WILLIAM P. DILLINGHAM, elected a Senator from the State of Vermont for the term of six years beginning on March 4, 1921, which were read and ordered to be filed, as follows:

STATE OF VERMONT.

This is to certify that on the 24 day of November, 1920, WILLIAM P. DILLINGHAM was duly elected by the people of the State of Vermont a Senator from said State to represent said State in the Senate of the United States for the term of six years, beginning on the 4th day of March, 1921.

Witness his excellency our governor, James Hartness, and our seal hereto affixed at Montpelier this 10th day of February, in the year of our Lord 1921.

By the governor:

[SEAL]

JAMES HARTNESS.

HARRY A. BLACK,
Secretary of State.

DEFICIENCIES IN POSTAL SERVICE, 1920 (S. DOC. NO. 393).

The PRESIDING OFFICER laid before the Senate a communication from the Secretary of the Treasury, transmitting two communications from the Postmaster General submitting deficiency estimates of appropriations in the total sum of \$1,995,500 required by the Postal Service for the fiscal year 1920, which were referred to the Committee on Appropriations and ordered to be printed.

CLAIM OF THE PAWNEE TRIBE OF INDIANS OF OKLAHOMA (S. DOC. NO. 395.)

The PRESIDING OFFICER laid before the Senate a communication from the Secretary of the Treasury, transmitting a communication from the Secretary of the Interior submitting a supplemental estimate of appropriation in the sum of \$312,811.27, with interest thereon from September 3, 1920, at the rate of 5 per cent per annum, in full settlement of the claim of the Pawnee Tribe of Indians, of Oklahoma, etc., which was referred to the Committee on Appropriations and ordered to be printed.

STATIONERY FOR INTERIOR DEPARTMENT, 1920 (S. DOC. NO. 392).

The PRESIDING OFFICER laid before the Senate a communication from the Secretary of the Treasury, transmitting a communication from the Secretary of the Interior submitting a supplemental estimate of appropriation in the sum of \$40,000 required for stationery, fiscal year 1921, which was referred to the Committee on Appropriations and ordered to be printed.

SUPPLEMENTAL ESTIMATE FOR DISTRICT GOVERNMENT (S. DOC. NO. 394).

The PRESIDING OFFICER laid before the Senate a communication from the Secretary of the Treasury, transmitting a communication from the Commissioners of the District of Columbia submitting a supplemental estimate of appropriation in the sum of \$417,602 required by the government of the District of Columbia for the fiscal year 1921, which was referred to the Committee on Appropriations and ordered to be printed.

MESSAGE FROM THE HOUSE.

A message from the House of Representatives, by W. H. Overhues, its assistant enrolling clerk, announced that the House had passed a bill (H. R. 15975) making appropriations for the naval service for the fiscal year ending June 30, 1922, and for other purposes, in which it requested the concurrence of the Senate.

The message also announced that the House had passed a joint resolution (H. J. Res. 472) making an appropriation to continue the valuation of the property of carriers, in which it requested the concurrence of the Senate.

The message further communicated to the Senate the resolutions of the House unanimously adopted as a tribute to the memory of Hon. THOMAS STAPLES MARTIN, late a Senator from the State of Virginia.

PETITIONS AND MEMORIALS.

Mr. LODGE presented resolutions of Michael S. Walsh Council of American Association for the Recognition of the Irish Republic, of Norwood; Michael Davitt Council of American Association for the Recognition of the Irish Republic, of Atlantic; and Michael Davitt Council of American Association for the Recognition of the Irish Republic, of Boston, all in the State of Massachusetts, protesting against the deportation of the lord mayor of Cork, Ireland, Donal J. Callaghan, which were referred to the Committee on Foreign Relations.

He also presented a resolution of St. James Parish, and sundry Catholic societies, of Taunton, Mass., remonstrating against the enactment of legislation creating a department of education, which was referred to the Committee on Education and Labor.

He also presented memorials of the Ladies' Catholic Benevolent Association, of Dorchester, and sundry citizens of North Uxbridge, all in the State of Massachusetts, remonstrating against the enactment of legislation creating a department of education, which were referred to the Committee on Education and Labor.

He also presented a resolution of the City Council of Fitchburg, Mass., favoring legislation to reduce the retail price of coal and prevent unreasonable increases in the future, which was referred to the Committee on Interstate Commerce.

Mr. WARREN presented a resolution of the Rotary Club of Casper, Wyo., favoring united action by the United States and other Christian Governments to stop Turkish atrocities, which was referred to the Committee on Foreign Relations.

Mr. WALSH of Montana presented a joint resolution of the Legislature of Montana, which was ordered to lie on the table, as follows:

UNITED STATES OF AMERICA,
State of Montana, ss:

I, C. T. Stewart, secretary of state of the State of Montana, do hereby certify that the following is a true and correct copy of an act entitled: A joint resolution requesting the Senators and Representatives of the State of Montana in the Congress of the United States to lend their support to the passage of the bill now pending before Congress, known as the Chamberlain-McArthur bill, relating to the appropriation of additional sums of money for extending Federal aid in the construction of post roads and for other purposes; enacted by the seventeenth session of the Legislative Assembly of the State of Montana, and approved by Jos. M. Dixon, governor of said State, on the 8th day of February, 1921.

In testimony whereof, I have hereunto set my hand and affixed the great seal of said State.
Done at the city of Helena, the capital of said State, this 9th day of February, A. D. 1921.

[SEAL]

C. T. STEWART,
Secretary of State.
By CLIFFORD L. WALKER,
Deputy.

Senate joint resolution 4.
[Introduced by Siegfriedt.]

A joint resolution requesting the Senators and Representatives of the State of Montana in the Congress of the United States to lend their support to the passage of the bill now pending before Congress, known as the Chamberlain-McArthur bill, relating to the appropriation of additional sums of money for extending Federal aid in the construction of post roads and for other purposes.

Whereas there is now pending before the Congress of the United States certain bills for the appropriating of additional sums for Federal aid in the construction of post roads, and for other purposes; and which said bills are designated the Chamberlain-McArthur bill; and

Whereas the method of expending moneys of the United States for the construction of post roads in the United States and within the boundaries of the State of Montana, is upon a basis of equal amounts of money being expended by the Federal Government, together with the State and county, which method has resulted in burdening the several counties of the State of Montana to a greater extent than is deemed just and proportionate; and

Whereas the allotment of money made by the Federal Government under the existing laws for Federal aid in the construction of road projects within the State of Montana has not at the present time been used because and on account of the inability of the State of Montana and the several counties therein to raise by appropriation an amount sufficient to equal the requirements of the present existing Federal aid act; and

Whereas the Chamberlain-McArthur bill now before Congress will afford additional sums of money for the construction of highways within the State of Montana, as well as in the forest reserves, Indian reservations, and across the Government lands still unoccupied within the State of Montana; and

Whereas the provisions of the Chamberlain-McArthur bill will aid and assist the several counties of the State of Montana, and the State itself, in meeting the requirements of the Federal aid project for construction of roads and highways: Now, therefore, be it

Resolved by the Senate of the Seventeenth Legislative Assembly of the State of Montana (the House of Representatives concurring therein), That we do urge upon the honorable Senators and Representatives in the Congress of the United States from the State of Montana, that they use all honorable means for the passage of the Chamberlain-McArthur Act, to the end that the State of Montana may be aided and assisted in the construction of roads and highways in proportion to the amount of lands owned by the State with those owned by the Federal Government; and be it further

Resolved, That copies of this resolution be forwarded by the secretary of the State of Montana to each of the honorable Senators and Representatives in the Congress of the United States, and to the Senate and House of Representatives of the Congress of the United States.

NELSON STORY, Jr.,

President of the Senate.

PERCY F. DODDS,

Speaker of the House pro tempore.

Approved February 8, 1921.

JOS. M. DIXON, Governor.

Filed February 9, 1921, at 9.15 o'clock a. m.

C. T. STEWART, Secretary of State.

Mr. MYERS presented a memorial of sundry citizens of Park County, Mont., remonstrating against the enactment of legislation increasing the duty on wrapper tobacco, which was referred to the Committee on Finance.

Mr. WILLIS presented memorials of sundry citizens of Burkettsville; sundry citizens of Mercer County; St. Joseph Court, No. 433, Catholic Order of Foresters, of Columbus; Ladies' Auxiliary No. 168, of Knights of St. John, of Cincinnati; Catholic Community League, of Zanesville; executive committee of the Archdiocesan Union of the Holy Name Society, of Cincinnati; Conneaut Council, No. 267, Knights of Columbus, of Conneaut; St. George Commandery, No. 98, Knights of St. John, of Columbus; St. Augustine Branch, No. 49, the Catholic Knights of Ohio, of Cincinnati; and the Holy Cross Court, No. 1456, Catholic Order of Foresters, of Columbus; all in the State of Ohio, remonstrating against the enactment of legislation creating a department of education, which were referred to the Committee on Education and Labor.

REPORTS OF COMMITTEES.

Mr. GRONNA, from the Committee on Agriculture and Forestry, to which was referred the bill (H. R. 10311) to further amend section 8 of an act entitled "An act for preventing the manufacture, sale, or transportation of adulterated or misbranded or poisonous or deleterious foods, drugs, medicines, and liquors, and for regulating traffic therein, and for other purposes," approved June 30, 1906, as amended by the act approved March 3, 1913, reported it with amendments.

Mr. DILLINGHAM, from the Committee on Immigration, to which was referred the bill (H. R. 14461) to provide for the protection of the citizens of the United States by the temporary suspension of immigration, and for other purposes, reported it with an amendment, and submitted a report (No. 789) thereon.

Mr. TRAMMELL, from the Committee on Claims, to which was referred the bill (S. 3129) for the relief of Louisa Frow, reported it with an amendment and submitted a report (No. 790) thereon.

He also, from the same committee, to which was referred the bill (S. 4637) for the relief of Griffith L. Johnson, reported it favorably without amendment and submitted a report (No. 791) thereon.

Mr. SPENCER, from the Committee on Claims, to which were referred the following bills and joint resolution, reported them severally without amendment and submitted reports thereon:

A bill (S. 2838) for the relief of Philip S. Everest (Rept. No. 792);

A bill (H. R. 646) for the relief of Perry E. Borchers because of losses suffered, due to destruction of property and termination of contract for services because of smallpox, while in the employ of the Navy Department in Cuba (Rept. No. 793);

A bill (H. R. 1035) for the relief of the widow of Joseph C. Akin (Rept. No. 794);

A bill (H. R. 6414) for the relief of Herman W. Schallert (Rept. No. 795);

A bill (H. R. 8647) for the relief of the owners of the American schooner *William H. Sumner* (Rept. No. 796);

A bill (H. R. 9840) for the relief of Capt. E. V. Dickson (Rept. No. 797);

A bill (H. R. 10598) for the relief of the First National Bank of Sharon, Pa. (Rept. No. 798);

A bill (H. R. 11945) for the relief of W. C. Stewart (Rept. No. 799);

A bill (H. R. 12005) for the relief of Henry P. Corbin (Rept. No. 800); and

A joint resolution (H. J. Res. 215) authorizing the legal heirs of certain officers of the United States Coast Guard who lost their lives when the Coast Guard cutter *Tampa* was destroyed in Bristol Channel September 26, 1918, to receive pay and allowances that would have accrued to said officers (Rept. No. 801).

Mr. SPENCER, from the Committee on Military Affairs, to which was referred the bill (S. 4894) to provide longevity pay for Reserve officers and National Guard officers serving under orders of the War Department, reported it favorably without amendment and submitted a report (No. 802) thereon.

STANDARD AMERICAN DREDGING CO.

Mr. McCUMBER introduced a bill (S. 5012) for the relief of the Standard American Dredging Co., which was read twice by its title and referred to the Committee on Claims.

RESTORATION OF ALIEN PROPERTY.

Mr. KING introduced a bill (S. 5013) to amend an act entitled "An act to define, regulate, and punish trading with the enemy, and for other purposes," approved October 6, 1917, as amended, which was read twice by its title.

Mr. KING. Mr. President, in supporting the proposition to return the alien property seized by the Alien Property Custodian I do not abate my faith in the League of Nations or abandon the view that the United States will sooner or later become a member of the league. It is, however, apparent that the Versailles treaty in its present form will not be ratified by the Senate. Whether ratified or not, I believe that the property belonging to German and Austrian nationals seized under the trading with the enemy act should be restored to those to whom it belongs.

The Versailles treaty imposed the obligation upon the German Government to compensate its nationals for the property which had been seized under the act of Congress. I believe that there was no intention when Congress passed the trading with the enemy act to deprive alien enemies of title to their property. It was not a confiscatory act. I believe it was the thought of Congress that the property should be held or sequestered until the termination of the war and that ultimately it would be returned to those from whom it had been taken.

The entire matter of disposing of the seized property rests with Congress. I am in favor of enacting an appropriate law under which transfer of the sequestered property may be effectuated.

It is clear that a commission possessing judicial powers must be created and authorized to pass upon the claims which would be filed for the return of the property now held by the Alien Property Custodian. Undoubtedly there would be such conflicting claims that the United States would be compelled for its own protection to dispose of claims before the return of the property to those who may be adjudged to be legally entitled thereto.

Our Government has always taken advanced ground with respect to private property seized during periods of war. In the treaty of 1782 between the United States and Great Britain it was declared that it was "unjust and impolitic that debts and engagements contracted and made by individuals having confidence in each other and in the respective Governments should ever be destroyed or impaired by national authority on account of national differences and discontent." Property of Tories had been confiscated by the Colonies, but the United States by treaty provided that the collection of debts by British subjects should meet with no lawful impediment, and a policy was announced that the private property of subjects of the belligerent nations should not be confiscated unless it was contraband of war. Alexander Hamilton defended this policy in arguments which excited the admiration of the publicists in his day, and they are still regarded as unanswerable.

In the treaty of 1785 between the United States and Prussia, drawn by Franklin and proposed by the American commissioners, John Adams, Franklin, and Jefferson, it was provided that in the event of war between the contracting parties the nationals of the belligerent nations engaged in certain occupations "shall be allowed to continue in their respective employments

and shall not be molested in their presence; nor shall their houses or goods be burned or otherwise destroyed nor their fields wasted by the armed forces of the enemy in whose power, by the events of war, they may happen to fall." This was a clear exemption from hostile molestation or seizure of the persons, occupations, houses, or goods of certain aliens residing in the belligerent nations. This provision of the treaty was continued in the treaty of 1828 between the United States and Prussia. Chief Justice Marshall, in the case of *Brown v. United States* (18 Cranch, 109), states that "there can be no reason for maintaining that the public faith is more entirely pledged for the security of the property intrusted in the territory of the Nation in time of peace if it be accompanied by its owner than if it be confided to the care of others."

It is true that international-law writers have declared that war gives the sovereign the right to take the persons and confiscate the property of the enemy wherever found. But this rigid rule has been mitigated and has never received the sanction of the American people. I recall that Mr. Justice Clifford of the Supreme Court of the United States, in a case decided in that court, stated:

In former times the right to confiscate debts was admitted as an acknowledged doctrine of the law of nations, and in strictness it may still be said to exist, but it may well be considered as a naked and impolitic right condemned by the enlightened conscience and judgment of modern times.

Alexander Hamilton, in discussing the treaty between the United States and Great Britain, said:

No powers of language at my command can express the abhorrence I feel at the idea of violating the property of individuals which, in an authorized intercourse in time of peace, has been confided to the faith of our Government and laws, on account of controversies between nation and nation.

The Constitution of the United States declares that private property shall not be taken for public use without just compensation, and while it may be argued that this provision has no application to the property of aliens whose country is at war with the United States, nevertheless the spirit of this constitutional provision should be invoked to preserve such property from confiscation. In my opinion, the present rule of international law prohibits the confiscation of individual alien property found in belligerent nations at the outbreak of war, and it seems clear that the treaty between the United States and Prussia in spirit, if not in terms, protects the property of the nationals of each country in the event of war between those nations. The United States for many years has insisted upon exemption of all private property, not contraband of war, from hostile treatment. At The Hague conferences the American delegates were instructed to secure the adherence of the participants in the conferences to that principle and policy.

Mr. Choate, speaking for the United States at The Hague in June, 1907, urged the assembled nations to adopt this proposition:

The private property of all citizens or subjects of the signatory powers, with the exception of contraband of war, shall be exempt from capture or seizure on the high sea by the armed vessels or by the military forces of any of the said signatory powers. But nothing herein contained shall extend exemption from seizure to vessels and their cargoes which may attempt to enter a port blockaded by the naval forces of any of the said powers.

The United States, for many years, has welcomed aliens to our shores and has invited peoples of other lands to make investments in our country. Billions of dollars of foreign capital has been invested in the United States. Railroads have been built, smelters erected, and factories and plants constructed, with capital supplied by persons who did not live under our flag, and were not citizens of our country. We welcomed German capital to America and it was employed in the development of our industries and contributed to our national prosperity. At the time of the outbreak of hostilities between the United States and Germany, there were hundreds of millions of dollars of German capital invested in the United States. Under the trading with the enemy act this property was seized. This property belongs to many thousands of people residing in Germany. Some of this property has been sold and the proceeds used for the purchase of Liberty bonds, but either the property or the proceeds derived from its sale, is in the hands of the Alien Property Custodian. It has not been confiscated or destroyed. It has been preserved during the war. We are now confronted with the question as to whether we shall retain the property or return it to its owners. It is stated by some that Americans have been wronged by Germany, that American ships have been sunk upon the high seas, and that Americans have lost their lives from wanton submarine attacks. All this is true, and Germany should be made to pay for these injuries and wrongs. But wrongs of the German Government do not

in my opinion warrant the confiscation of the private property of German nationals. It would be "unjust and impolitic" and would contravene those higher conceptions of international morality and international duty which should obtain among nations in this enlightened age. The Government of the United States from the beginning has declared confiscation and sequestration to be impolitic and unwise and has sought to obtain the acceptance of that view by all civilized nations.

I have accordingly prepared a bill which will, if enacted into law, result in the return of the property held by the Alien Property Custodian to the owners of the same.

The bill is in the form of an amendment to the trading with the enemy act. This is done because its provisions are supplementary to and are related to certain sections of that act.

The bill sets up a commission with judicial powers to determine the rights of claimants to the property which was captured and seized by the Alien Property Custodian under the trading with the enemy act. The general structure and powers of the commission are based upon the precedent of the Spanish Claims Commission, which was created by Congress to adjudicate claims under the treaty of Paris, which concluded the war between the United States and Spain in 1898.

Sections 1 to 26, inclusive, prescribe the organization of the commission, its powers, and the procedure to be followed. The bill then provides for the return of property or the proceeds from the sale of property seized by the Alien Property Custodian to the several owners thereof, excepting property belonging to the Governments of Germany, Austria, and Hungary, or to the former Government of Austria-Hungary. Claims for the return of this property or of the proceeds of sales thereof are to be filed within one year after the organization of the commission, and claims not filed within such a time are to be barred.

In all cases the costs of administration and liquidation and other lawful expenses of the Alien Property Custodian are to be deducted or otherwise satisfied before property or proceeds are returned to the claimants. The payment ordered by the commission operates as a full acquittance and discharge of the Alien Property Custodian, the Treasurer of the United States, and the United States in respect to any claim for or interest in such property, proceeds, or money, or compensation for damage arising from the capture or administration of such property under the trading with the enemy act.

The commission is not to be appointed until after the declaration of peace between the United States and Germany, Austria, and Hungary, or the former Government of Austria-Hungary, and it is expected that the stipulations of peace will make ample arrangements for the payment of claims held by American citizens against the Governments of these countries for damages suffered both before and after the declaration of war by the United States.

I move that the bill be referred to the Committee on the Judiciary.

The motion was agreed to.

AMENDMENTS TO APPROPRIATION BILLS.

Mr. JONES of Washington submitted an amendment proposing to appropriate \$100,000 for emergency expenditures incident to the disposal of wind-thrown and intermingled or adjoining timber on the Olympic National Forest and for emergency measures necessary to protect from fire the timber on that forest, including the repair and construction of roads, fire lines, trails, telephone lines, etc., intended to be proposed by him to the general deficiency appropriation bill, which was referred to the Committee on Appropriations and ordered to be printed.

Mr. TOWNSEND submitted an amendment providing that the river and harbor act approved March 2, 1919, be amended by eliminating the requirements of a deed to the United States of the docks extending from E to F and a strip 75 feet wide measured back from the face of such docks, etc., touching the matter of completing improvement of Alpena Harbor, intended to be proposed by him to the river and harbor appropriation bill, which was ordered to lie on the table and be printed.

Mr. BORAH submitted an amendment authorizing the President to invite the Governments of Great Britain and Japan to send representatives to a conference with a view to entering into an understanding or agreement by which the naval building program of the Governments of the United States, Great Britain, and Japan shall be substantially reduced annually during the next five years, intended to be proposed by him to the naval appropriation bill, which was referred to the Committee on Naval Affairs and ordered to be printed.

Mr. MOSES submitted an amendment proposing to appropriate \$79,758.89 for dry dock and accessories at the Norfolk (Va.) Navy Yard, etc., intended to be proposed by him to the

general deficiency appropriation bill, which was referred to the Committee on Appropriations and ordered to be printed.

Mr. KNOX submitted an amendment proposing to increase the appropriation for military post exchanges, etc., from \$150,000 to \$350,000, and providing that not less than \$200,000 of said sum shall be spent for the employment of corps area and department supervisors of women's relations, hostesses at Army posts, and travel expenses of said personnel, intended to be proposed by him to the Army appropriation bill, which was referred to the Committee on Military Affairs and ordered to be printed.

AMENDMENT TO EMERGENCY TARIFF BILL.

Mr. JOHNSON of California submitted the following amendment intended to be proposed by him to House bill 15275, the emergency tariff bill, which was ordered to lie on the table and be printed:

On page 6, after line 24, insert the following as a new paragraph:
"(25) Hops, 32 cents per pound; hop extract, \$3.20 per pound; hop lupulus, \$4.80 per pound; hop oil, \$16 per fluid ounce."

FREIGHT RATES ON PERISHABLE PRODUCTS.

Mr. TRAMMELL submitted the following resolution (S. Res. 451), which was ordered to lie over under the rule:

Resolved, That the Interstate Commerce Committee of the Senate be, and it is hereby, requested to investigate the present high freight rates being charged on citrus fruits, vegetables, and other perishable farm products, with a view to bringing about early legislation that will result in a reduction of the existing freight rates on such perishable products.

HOUSE BILL REFERRED.

The bill (H. R. 15975) making appropriations for the naval service for the fiscal year ending June 30, 1922, and for other purposes, was read twice by its title and referred to the Committee on Naval Affairs.

COLORADO TROOPS IN THE FRENCH ARMY (S. DOC. NO. 397).

Mr. LODGE. Mr. President, I desire to ask permission to have printed as a Senate document a report from the State Department which has been sent to the Committee on Foreign Relations relating to the colored troops in the French Army. I suggest that this be done merely as an act of comity and justice to a friendly nation.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

DISTRICT COURT FOR ALASKA.

Mr. KELLOGG. I move that the House of Representatives be requested to return to the Senate the message of the Senate of February 9, 1921, announcing its disagreement to the amendments of the House to the bill (S. 4205) to amend section 4, chapter 1, of Title I of an act entitled "An act making further provision for a civil government for Alaska, and for other purposes," approved June 6, 1900, as heretofore amended by section 2 of an act entitled "An act to amend section 86 of an act to provide a government for the Territory of Hawaii, to provide for additional judges, and for other judicial purposes," approved March 3, 1909, and for other purposes, and asking a conference with the House on the disagreeing votes of the two Houses thereon together with the bill and the amendment of the House thereto.

The motion was agreed to.

EMERGENCY TARIFF.

Mr. SMOOT. Mr. President, I ask for the regular order.

The Senate, as in Committee of the Whole, resumed the consideration of the bill (H. R. 15275) imposing temporary duties upon certain agricultural products to meet present emergencies, to provide revenue, and for other purposes.

The PRESIDING OFFICER. The pending amendment will be stated.

The READING CLERK. The pending amendment is the amendment of the senior Senator from Utah [Mr. SMOOT] proposed as a substitute for the amendment reported by the Committee on Finance:

In lieu of the amendment proposed by the committee relating to sugar, sirups of cane juice, etc., embraced in lines 13, page 4, down to and including line 16, page 5, insert the following:

Sugars, tank bottoms, sirups of cane juice, melada, concentrated melada, concrete and concentrated molasses, testing by the polariscope not above 75°, seventy-one one-hundredths of 1 cent per pound, and for every additional degree shown by the polariscope test, twenty-six one-thousandths of 1 cent per pound additional, and fractions of a degree in proportion; molasses testing not above 40°, 15 per cent ad valorem; testing above 40° and not above 56°, 21 cents per gallon; testing above 56°, 41 cents per gallon; sugar drainings and sugar sweepings shall be subject to duty as molasses or sugar, as the case may be, according to polariscope test. That the duties in this paragraph herein imposed are in addition to the rates of duty imposed on such sugar by existing laws, and shall in no manner affect or impair such existing laws.

Mr. THOMAS. Mr. President, just prior to the recess last evening the Senator from North Dakota [Mr. McCUMBER] propounded one or two queries to the Senator from Rhode Island

[Mr. GERRY] which go to the very heart of the subject under discussion. To my mind the queries are susceptible of perfectly clear and satisfactory reply, which will depend upon the point of view one takes of the taxing power of the Government.

The Senator from North Dakota is an unqualified advocate of the protective principle. He believes thoroughly in the doctrine of protection for protection's sake, and the questions which he propounded are, therefore, susceptible of but one answer from the protection standpoint. If it is the duty of the Government to tax everybody for the benefit of everybody else, and that is what protection for protection's sake means if it means anything, then the logic of the Senator from North Dakota is irresistible and the farmer should share in whatever plunder protection can secure.

No man can deny from his standpoint that if the Rhode Island manufacturer is to be protected from foreign competition the producer should be similarly protected. That is the only possible method of establishing any sort of equity in the application of the protective principle to the business and the industries of the country.

But to those who believe that protection should be an incident to the revenue-raising powers of the Government the answer must be an entirely different one, which, therefore, depends entirely upon the point of view.

The need of the Government for revenue early found expression in statutes levying duties upon imports, the purpose then being, ostensibly at least, to secure needed revenues for Government purposes. If, therefore, that be the basis for the exercise of the taxing power, then the laws should be limited to those commodities which, if brought into the country, would yield a public revenue. Upon that assumption the existing law, devoted as far as possible to the revenue theory, imposes duties upon manufactured products coming in competition with those of Rhode Island, not to protect the Rhode Island manufacturer but to obtain revenue for the Government. There is, of course, an incidental protection due to the imposition of the duty, but that is an unescapable consequence of levying it.

Hence, if it be true that the power of the Government to levy taxes rests upon its need for revenue, taking into consideration nothing else, then the query propounded by the Senator from North Dakota [Mr. McCUMBER] must be answered in the negative. To my mind the distinction is perfectly apparent.

Before I resume my seat, Mr. President, I wish to refer briefly to the speech of the junior Senator from Texas [Mr. SHEPPARD] on yesterday, calling the attention of the Senate to the legislation of July 1, 1812, regarding the then existing tariff. He said:

Legislation ought to have been enacted long ago to prevent such precipitate and so one-sided a decline.

Having reference to the precipitate and one-sided decline in agricultural products. Of course, that assumes that the Congress has the power to legislate and by legislation to prevent the decline of prices. That is a fundamental defect in the argument. When prices are falling all the world over, when the debauch is followed by the reaction the Senator might as well try to legislate against the headache of "the morning after" as to legislate against the operation of natural economic laws. It is an assumption, Mr. President, and a false assumption, which, however, is made as well by the people of the United States, for the reason that we have educated them into the belief, nay, into the conviction, that whatever goes wrong with them is due to imperfect legislation or the absence of legislation, and may be rectified by a statute; in other words, the "be it enacted" of a legislative assembly is asserted to be the cure-all and the end-all in human effort and in human conditions.

The Senator from Texas refers to the act of July 1, 1812, as a precedent for the bill we are now considering. We are told that on that date—

the Democratic Party enacted a tariff law levying duties of 100 per cent in addition to all existing duties on imports, covering all manufactured and agricultural articles with but very few exceptions.

I do not think the Senator has read that statute very carefully or he would not have made that statement. In the first place, it was a war measure; it was not designed to interfere with prices or to bring relief to classes. We had previously declared war against Great Britain. At that time the ad valorem percentage of existing duty, if my recollection does not deceive me, was less than 10 per cent. The effect of that act was simply to increase the duties 100 per cent, which would make them still 20 per cent, or about one-half of the prevailing ad valorem percentages of the present Underwood tariff law. It was aimed at British trade. The condition of belligerency consequent upon our declaration that a state of war existed naturally and necessarily suggested such legislation as might cripple the enemy.

It was not designed to relieve any class or to control the prices of any commodity.

The Senator from Texas further says that this increase covered "all manufactured and agricultural articles with but very few exceptions." On the contrary, the act was by its very terms expressly limited to those articles upon which the existing duties were imposed. At that time we had not progressed so far as to assume that a prohibitive tax, a duty levied upon agricultural products, would aid the industry. That is a subsequent political development. The Senator, I think, will search the laws in force on July 1, 1812, in vain for the inclusion of any agricultural product. To cite that statute, therefore, a war measure, a revenue measure, a measure confined to the articles upon which duties were then imposed, as a precedent for the enactment of such extraordinary and remarkable legislation as embodied in this bill is to cite a precedent for which there is no justification. It is no precedent at all.

The Senator, however, goes on to say:

It was provided in this law that it should continue as long as the war should last, and a year afterwards.

That is true. The act was repealed on the 3d of March, 1815, and if the Senator can discover that its operation benefited a single farmer in the United States, then I will confess my error, and we should give it due consideration in our disposition of the pending measure.

The Senator from Texas having committed himself to the protection theory—and let me say to him that he can not favor protection for the farmer and deny protection to the manufacturer; he can not blow hot and cold upon this subject; the Senator from North Dakota is right; one must be either fish, flesh, or fowl upon this great economic problem; and the moment a Democratic Senator commits himself to the doctrine of protection for the benefit of the farmer he must not expect to restrict his apostasy to a single class or a single product. Sooner or later he must apply that principle all along the line or recant his abandonment of its opposite. The Senator says:

As for me, I have dedicated myself to the especial service of agriculture, with the conviction that in serving agriculture I serve this Nation in a truer sense than would be the case with any other division of American industry.

If he means that, he is no longer a Senator of the United States. The needs of the Nation, whatever they may be, however vast or insistent, are subordinated and must be subordinated by the Senator to the agricultural interest of the country, as he sees it. He is no longer even a Senator from the State of Texas; he can not represent all the varied interests and industries of the population of that State if he proposes here, as he says he does, to dedicate himself to one particular interest. Indeed, I think when a man makes such a declaration in this Chamber he ceases to be a Senator at all; he simply becomes a delegate, not a walking delegate but a rubber-stamp delegate, who proposes to place the seal of his approval upon those measures and a disapproval against those measures which a single interest informs him may be favorable or unfavorable to that interest. Mr. President, whenever a majority of the members of this body so dedicate and declare themselves there will be no longer need for the continued existence of the Senate. It will then become a distinct and dangerous obstacle to the public welfare.

I try to represent the farmers of my State as best I can; I try also to represent the working elements of my State; I try to represent the business elements of my State, the productive elements, all the elements, all classes and conditions of our men and women, whatever they may be. If I properly understand my duties, they sent me here for that purpose, and although elected by a majority of the people I became by virtue of my election the spokesman for and the representative of both those who sent me here and those who thought that some one else was better fitted for the position.

The division of the people of the United States into classes, associations, and combinations for selfish purposes—and I use the term in no disrespectful sense—to secure benefits through legislation is absolutely inconsistent with that unity of purpose and of progress without which the people of the United States can not survive. It is a dissolving, disintegrating influence which has entered into the very heart and body of our people. It constitutes a most serious menace to the future of the Republic. When it finds expression in the highest legislative body in the world, as it did on yesterday afternoon, then, indeed, is it time to call a halt and reconsider fundamentals, economic, social, and political, and determine whether ours is a union in fact or a union merely in name.

Mr. President, before I take my seat I desire to introduce as a part of my remarks an article entitled "Argentina and our tariff." This article was published in the New York Times of Sunday before last, and is from the pen of W. W. Davies, cor-

respondent of La Nacion, Buenos Aires. It gives a graphic account of the industrial conditions in Argentina, of the business which the United States has been transacting and is trying to develop with that great Republic, of the effect upon that business which the difference in exchange has created, and of the certain consequences which will follow once the emergency tariff bill becomes a law. It is not surprising to me, because if there is any sort of legislation which provokes reprisals it is extreme tariff legislation.

Argentina, Mr. President, has a foreign business mounting into the hundreds of millions of dollars. America secured the greater proportion of it during the war. It is reflected in our exports to that country, and our exports are reflected in the consequent prosperous business conditions which always follow the extension of foreign trade.

We are told here that Argentina, in the event of the enactment of this or similar legislation, must necessarily cease to do business with the United States, must necessarily find markets elsewhere, and must necessarily unite with other nations against which we propose to discriminate, and as a result our great expanding foreign trade with the first country of South America must first languish, then decay, and in all probability disappear.

If that were all, the result would be disastrous. When, however, we consider the resentments, the hatreds, the animosities, the arousal of all the worst elements of human nature against us at the very time that we are courting the friendship and seeking common association with the Republics of the Western Hemisphere, we can only wonder at the folly and credulity of human nature, that it will insist on the enactment of selfish commercial restrictive legislation at the expense of the commerce and the good will of foreign nations.

I ask that this article may be inserted in the RECORD.

The PRESIDING OFFICER (Mr. STERLING in the chair). Without objection, it will be so ordered.

The matter referred to is as follows:

ARGENTINA AND OUR TARIFF.

[By W. W. Davies, correspondent of La Nacion, Buenos Aires.]

There is no more interested spectator of the attempts to revise the American tariff in an upward direction than Argentina. Every move in the legislative program at Washington is being followed by this South American Republic with intense interest. In fact, it may be said that no legislation at Washington for years has been regarded as so vitally affecting Argentina's interests as this. The Argentinean regards the emergency tariff legislation as aiming a definite blow at Argentine exports to America. More than that, he realizes that if this measure be passed the blow will be delivered at such an unfavorable time that it will mean a serious setback to Argentina's external trade.

The reason for Argentina's attitude is so simple that a schoolboy could understand it. During the war this great South American Republic kept up a steady supply of exports to countries where they were badly needed. These exports exceeded Argentina's imports, with the result that even in the United States Argentine currency was quoted at a premium. Within the past six months, however, the North American market for the principal exports of Argentina has slumped so badly that it has not been profitable to continue these exports in large quantities. The market in such commodities as wool, hides, and skins has fallen to such an extent that Argentina's export of these goods to the United States has fallen to a minimum.

The inevitable result of this lessening of Argentine exports has been such a sharp variation in the balance of trade that Argentina's exchange has suffered badly. One of the results of this has been a very definite reaction against importations from the United States, largely for the reason that with an exchange so unfavorable to Argentina many of the merchants there were absolutely unable to accept goods when they arrived from the United States. As a consequence, tremendous quantities of exports from North America have been tied up at Buenos Aires, with the unavoidable result of business stagnation and many commercial failures.

This brings us again to the question of the United States tariff. The Argentine producer has been looking forward to the time when a revival in buying of such commodities as he exports would permit the resumption of Argentine exports, even if the bulk of these goods were sold at a narrow margin of profit. But the anticipated profit was so small that the projected tariff came as a deadly blow to his hopes. He realized that it would be difficult enough to recommence these exportations under any conditions, but with a higher tariff on goods produced by Argentina the obstacles and difficulties in the way of this trade would be multiplied a thousandfold. This is the position as we find it to-day.

There is in this situation serious food for thought for the American exporter. A tariff wall which at first sight appears to have spikes on only one side is likely on closer inspection to reveal them on both. Thus, while a higher tariff on such commodities as wool, hides, and skins would obviously have the effect of tending to shut out importations from a country like Argentina, it will just as inevitably prevent the development of exports from the United States to that country. One of the fundamental principles of foreign trade is that there should be established, as nearly as possible, a balance between exports to and imports from a given country. The Argentinean obviously depends upon the money he receives for his exports to pay for the importations of manufactured articles from the United States. If you cut off the source of his revenue he clearly can not spend that revenue. It can therefore be seen that any artificial legislative measure which would tend to prevent the free flow of goods from Argentina to the United States would, in the course of time, just as surely block the exports from this country to Argentina.

The main points in Argentina's attitude on this question may be summed up as follows:

1. Argentina depends for her prosperity upon a steady, uninterrupted flow of exports.

2. It has been the policy of the United States to encourage foreign trade with South American countries, of which Argentina is one of the most important.

3. The basic foundation of this trade is that, as nearly as possible, the exportations from the United States to Argentina should be equalized by the importations into the United States from that country.

4. The present period of stress, caused by the world-wide decline in prices due to what has been called the "buyers' strike," has made the question of the disposal of Argentina's produce a very difficult problem.

5. The solution of that problem appears to rest in the normalization of buying and the consequent demand in the United States for the produce of Argentine soil.

6. The Argentine producer felt that by bravely facing facts and agreeing to cut profits and, in some cases, accept losses, he could, within the next few months, help to bring about a restoration of trade which would reestablish his market abroad.

7. The projected emergency tariff raises a new and almost impassable barrier to the normal restoration of that trade.

8. The Argentinean has earnestly urged that this tariff should not be imposed, as it would mean a serious setback to the Argentine-American trade which the United States itself has been so assiduously cultivating.

9. It is pointed out that if such measures are enacted by the United States it will mean that the remarkable growth of trade between these two countries during the war will be practically lost.

10. There is much talk in Argentina of tariff reprisals by that country against the United States in the event of the new tariff becoming law.

11. Probably the strongest argument of all is that such a measure would operate directly against the interests of the United States by compelling Argentina eventually to transfer a great part of its trade from the United States to European competitors unhandicapped by tariff barriers.

The above brief outline shows the Argentine attitude at a glance. If any further proof were needed of how seriously the merchants of Argentina regarded this projected tariff legislation, it can be found in expressions of opinion from Buenos Aires. Advice from Argentina show that very strong resolutions have been passed urging that the United States should not proceed with this legislation.

It may be said that the present indications are that the emergency tariff legislation will not be passed. This may be so, but it does not affect the general attitude of Argentina on this question. An upward revision of the tariff in the early stages of the next session would be as unwelcome in Argentina as the passage of the present Fordney bill. And for the moment it appears that the chances of a higher tariff some time in the next session are strong. It is natural enough for the farmer, and others, to urge a higher tariff. It has been no secret that such an upward revision of duties has been associated, more or less, with the platform of the Republican Party. But the fact which should not be lost sight of is that the conditions at present are not normal. The old arguments which could be advanced in favor of a tariff, with some justification in normal times, are by no means so defensible at a time when foreign exchanges are abnormal. A tariff which might be imposed with safety in normal times would be crippling when directed against foreign countries handicapped by an adverse exchange. There was a very general hope that these unusual circumstances would be considered, and that there would at least be no tinkering with the tariff during the present year. It is still reasonable to assume that some of the best thought in the Republican Party, as well as among the Democrats, will realize the very compelling reasons for a postponement, if not an abandonment, of upward tariff revision.

The final point to be considered is what the effect would be on the future trend of Argentine commerce if the tariff were passed. We have heard repeated assurances that America wishes to hold her trade not only in Argentina but in all South America. If a higher tariff barrier is erected, will not the effect be to drive Argentine trade directly into the hands of European competitors, to the detriment of the United States? One of the problems of the future will be to utilize to advantage the merchant marine of America. The encouragement of foreign commerce is the logical way to find satisfactory work for these ships. By enacting a higher tariff the United States would indirectly, but none the less effectively, deal two blows at her own interests. She would curtail the avenues for the satisfactory employment of her merchant marine and at the same time play definitely into the hands of her European trade competitors.

Mr. SIMMONS. Mr. President, my understanding is that the matter now before the Senate is the amendment relating to sugar. Am I correct about that?

The PRESIDING OFFICER. The amendment of the Senator from Utah [Mr. Smoot] relating to sugar.

Mr. SIMMONS. Mr. President, I do not intend to enter into any discussion with reference to the sugar amendment; but I do want to clarify to some extent some of the discussion which took place yesterday, which I think was based upon false premises and a misunderstanding of the facts upon which the argument and the conclusion in this matter must necessarily rest.

First, Mr. President, with reference to the effect of the two amendments that we have before us now—for we have two. We have, first, the committee amendment to the House bill, which proposes to raise the duty on Cuban centrifugal sugar 3 cents a pound. Then we have the amendment of the Senator from Utah [Mr. Smoot] to the amendment of the committee, proposing to reduce the committee amendment rate from 3 cents a pound to 1 cent a pound. I am a bit puzzled to understand why the majority in this Chamber, if the amendment of the Senator from Utah reflects the sentiment of the majority, have changed about upon this question; why they have abandoned their proposal in the committee to add 3 cents a pound to the protection accorded sugar and are now ready to content themselves with only 1 cent additional.

In the first discussions of this bill the 3-cent increase was defended by the proponents of the committee amendment. It was defended and insisted upon by the Senators from Louisiana. After that amendment had been bombarded in the Senate, and

it had been shown that if it was adopted sugar would cost the people of this country hereafter, as long as this proposed measure remained in force, about \$300,000,000 a year more than it now costs them, we are suddenly advised that the Louisiana sugar producers and the Senators on the other side of this Chamber are ready to content themselves with increasing the price to the people of this essential of life \$100,000,000 a year.

I refer to that simply for the purpose of showing how carelessly and recklessly the committee which framed this bill settled upon the rates it carries and the danger of legislating in this hasty and ill-considered way with respect to matters of vital importance to the people and the country.

The Senator from North Dakota [Mr. McCUMBER], by manipulation of figures, asserted at the conclusion of his remarks on yesterday that by far the greater part of the money of the people will, under the amendment of the Senator from Utah, go into the Treasury. Such is not the case. On the contrary, about an equal amount will go, respectively, into the Treasury and into the pockets of the sugar producers in the United States and our insular possessions.

Sugar presents an illustration of a case where the price of a product imported into the country fixes the price of the domestic product. Now, it is true that the Government will get the amount of the additional duty collected on foreign sugar sold in this country, and that will go into the Treasury for the benefit of the people, but the additional amount that will be paid on the sugar produced in this country will be about equal to that paid on imported sugar, because we produce about half of what we consume, and that will go to the private beneficiaries of this legislation.

By virtue of the fact that the price of Cuban sugar regulates, controls, and determines the price of the domestic product, and that includes as well sugar produced in our insular possessions, if this amendment is agreed to the people will have to pay an additional 1 cent a pound on all the sugar consumed in this country.

I congratulate the people of this country that the Republican Party has had a change of heart, and, after discussion, has decided that it will exact of the people in the interest of the cane and beet sugar producers of this country only an additional \$100,000,000 a year instead of an additional \$300,000,000 per year as was its original purpose and intent. I feel that the people are entitled to congratulations upon this softening of the Republican hearts.

Mr. President, there is one other thing to which I wish to call attention. There has been some suggestion here that the price of sugar will not be materially enhanced in price as a result of this increased tax, and that the price will not allow a reasonable profit, if any, on its production under existing and prospective conditions.

Mr. President, I have here the retail and wholesale prices of sugar for a number of years past. I find that the wholesale price of raw centrifugal sugar in New York February 21 was about 5 cents a pound.

Mr. SMOOT. That is 98 per cent raw Cuban sugar.

Mr. SIMMONS. Yes; that is raw Cuban sugar, 5 cents a pound. I have also the retail price at the same time in New York, 8½ cents a pound. If the amendment had been adopted as reported by the committee, the wholesale price of raw sugar would have been raised from 5 to 8 cents a pound, and the retail price would have been raised from 8½ to 11½ cents a pound.

Mr. President, by reason of this softening of the heart of the beneficiaries and advocates of this legislation it is proposed to add only 1 cent a pound to the price of sugar. That is what it will do—just add 1 cent a pound to the present wholesale price of raw sugar, which is now 5 cents. That would make raw sugar a little over 6 cents a pound; but we will use round figures and call it 6 cents a pound. That will be, if this bill becomes law, the wholesale price of Cuban raw sugar in New York. Now, the differential between the wholesale price and the retail price in New York for 1918-19 was about 3½ cents a pound. Now add to the wholesale price of Cuban sugar 3½ cents a pound and you have a retail price of sugar of 9½ cents a pound.

Under the original amendment of the committee, when Cuban sugar reached 8 cents a pound this additional duty proposed was to be suspended. But that is not true of the amendment to the committee amendment proposed by the Senator from Utah. He does not provide for the suspension of this duty, however high the price of Cuban sugar may go.

I do not say that is a joker. I do not say that that is the change in the situation which has caused the Louisiana Senators so readily to acquiesce in the reduction of 66½ per cent in the protection that they had demanded and thought they were about to secure; but I do say that it is very significant; that if

it was thought necessary to impose a provision suspending the operation of these increased duties when Cuban sugar reached 8 cents a pound, under the original proposition, that provision should be eliminated in this substituted proposition. The Senator from Utah probably can explain that. It may have no special significance, but I have been mystified somewhat by it.

Mr. SMOOT. I do not think the Senator is mystified. I think he is—

Mr. SIMMONS. The Senator from Utah must allow me to say that I am mystified, because the Senator from Utah, more than almost anyone else I know, can now and then mystify us in the Senate. He may not be aware of that.

Mr. SMOOT. I will say to the Senator, then, that he tried to mystify all the other Senators when he allowed the same rate and the same wording to go in the Simmons-Underwood tariff bill. There has never been a proposition in Congress before that a rate of duty upon sugar should be limited when Cuban raw sugars reached a certain price.

Mr. SIMMONS. That is the reason why I wondered, after the Senator put it on in reference to one amendment, why he left it out with reference to the other amendment.

Mr. SMOOT. The amendment I offered is just simply word for word what the present law is, and follows the wording of the Simmons-Underwood tariff law.

Mr. SIMMONS. Why did the Senator not write the committee amendment in the same language?

Mr. SMOOT. I did not write the committee amendment.

Mr. SIMMONS. You voted for it in committee did you not?

Mr. SMOOT. But I did not vote for it, and the Senator knows it.

Mr. SIMMONS. I do not remember whether the Senator did or not. Of course, the Senator knows, and if he says he did not, I accept his statement.

Mr. SMOOT. The Senator knows it very well.

Mr. SIMMONS. I do since the Senator states it, because the Senator would not state anything that is not true.

Mr. SMOOT. Mr. President, there is no likelihood of 96 test Cuban raw sugar reaching 8 cents a pound.

Mr. SIMMONS. I do not think so myself, Mr. President.

Mr. SMOOT. Then why is the Senator mystified?

Mr. SIMMONS. Simply because this limitation was placed upon the price in the original amendment and omitted from the proposed substitute.

Mr. SMOOT. The Senator from Utah did not put it in the other amendment.

Mr. SIMMONS. I mean the committee, of which the Senator is an honored and a very powerful and influential member.

Mr. SMOOT. The Senator from North Carolina is also a powerful member of that committee, and I want to say to the Senator that he knows the conditions existing at the time those amendments were being put on the bill; the opponents of the bill were perfectly willing to put almost anything in the bill, not with the idea of its ever passing, but with the idea of making it so obnoxious that it could not pass, or that the people of the United States would not agree to it.

Mr. SIMMONS. The opponents of the bill, Mr. President, were willing to have the proponents frame it.

Mr. SMOOT. Perhaps I should not have said that, because that was a committee action, and perhaps should have been kept secret. But there is no need of trying to camouflage the situation, and that is exactly what is happening.

Mr. POMERENE. Mr. President—

The PRESIDING OFFICER. Does the Senator from North Carolina yield to the Senator from Ohio?

Mr. SIMMONS. I yield to the Senator from Ohio.

Mr. POMERENE. The Senator from Utah has suggested a very interesting fact to me, namely, that the opponents of this bill were trying to load down the bill with certain amendments which would make it obnoxious. What were the amendments which were presented by the opponents of the bill?

Mr. SMOOT. Mr. President—

Mr. SIMMONS. Not one, I will say to the Senator. I beg the pardon of the Senator from Utah.

Mr. SMOOT. I have been on the Finance Committee a good many years, and I have never seen a situation like that presented by a certain Democratic Senator.

Mr. POMERENE. Has the Senator ever seen a bill like this?

Mr. SMOOT. This is substantially the shape in which that Senator made his proposition: "I do not know what the highest rate ever imposed upon hides in the history of the country is, but whatever that rate is, I move that it be put into this bill."

Mr. POMERENE. If the Senator will point out any item in this bill which was proposed by the opponents of the bill, I will vote against it.

Mr. SIMMONS. Mr. President, I can state to the Senator that all the amendments which were offered were supported by

the proponents of the bill. This particular sugar amendment, I think, came from the Senator from Louisiana [Mr. RANSDELL], written in the behalf of his colleague, neither a member of the committee, but was by its proponents.

Now, let me proceed, Mr. President. I am glad to have the explanation of the Senator from Utah about that matter.

Mr. President, it is just as certain as that the day follows the night, there is no conjecture about it, no speculation, that if this amendment is adopted the price of Cuban sugar, duty paid at the ports of this country, will be raised to about 6 cents a pound.

Mr. SMOOT. No; the Senator is mistaken about that, because the price of Cuban raws to-day is not 5 cents a pound.

Mr. SIMMONS. It is a little more than 5 cents. That is what it sells for in New York, duty paid.

Mr. SMOOT. It is 4½ cents.

Mr. SIMMONS. I am talking in round figures, duty paid.

Mr. SMOOT. And the 1 cent added would make it 5½. Of course, if the Senator is talking in round figures—

Mr. SIMMONS. I have said that was the New York price.

Mr. SMOOT. But five-eighths of a cent upon 8,000,000,000 pounds of sugar is five-eighths of \$80,000,000, and it runs into the millions very fast.

Mr. SIMMONS. If the Senator makes a point about that I will take the retail price in New York at that time, based upon the Cuban price plus the duty.

Mr. SMOOT. If the Senator says at that time, then I have not anything to say. The Senator was speaking of the price to-day.

Mr. SIMMONS. No; I said in February of this year.

Mr. SMOOT. I know the Senator did in the first instance, and he was right then; but in his last statement he said that the retail price of sugar, if this amendment were put on, would be a certain figure, and he based that upon the price of sugar on February 1.

Mr. SIMMONS. Mr. President, I based that upon the price of Cuban sugar laid down at the ports of the United States, with the duty paid on it. Everybody knows that Cuban sugar is going to sell for just as high as it can be sold for in this market after paying the duty, and there is not going to be any reduction in the price of Cuban sugar. The ordinary differential between the wholesale price of raw sugar and refined sugar, the kind the people buy and use, averaged 3½ cents a pound in 1919 and 1918; that is, the differential between the raw sugar and the refined sugar averaged 3½ cents per pound. Adding that to the 6 cents, which will be the price of Cuban sugar duty-paid at the ports, if this bill passes, we will have 9½ cents as the New York retail price for sugar. That means in all probability, taking the country at large, that the retail price of sugar will hereafter be something over 10 cents a pound.

Mr. President, I call the attention of Senators to this fact, and I ask them to fix these figures in their minds because, before the war, during the year 1913, the retail price of sugar in New York was 5½ cents a pound. In 1914 the retail price of sugar averaged 5.9 cents a pound. Now it is proposed by this bill to help lift the price of sugar hereafter to be paid by the people of this country about 4 cents a pound above the level of 1913-14.

But it is said that last year's crop of sugar was expensive to raise. That is granted. But, Mr. President, is there any reason to believe that hereafter the cost of raising sugar in this country, when the world adjustment of prices which is now going on with great rapidity has been completed, will remain high as compared with prewar prices? There is no power under the sun that can stay the fall in the prices of commodities and wages. Prices of labor will inevitably come down, and unless all signs shall fall, the price of labor in the making of the next crop of sugar in the United States will doubtless be somewhat higher than before the war, but not materially so.

[At this point Mr. SIMMONS yielded to Mr. WARREN for the consideration of a House joint resolution.]

Mr. SIMMONS. Mr. President, I have stated heretofore that during this month the retail price of granulated sugar in New York, based on the price of Cuban sugar, was 8½ cents a pound and that necessarily, if the amendment is adopted, that the effect would raise that price to 9½ cents a pound. I have stated that the retail price in New York in 1913 was an average of 5½ cents and in 1914 an average of 5.9 cents. Thus we see that the present retail price of sugar is about 3 cents per pound higher than it was during the last two prewar years, and if the amendment now offered is agreed to, it will be raised so as to be about 4 cents per pound higher than it was during those last two prewar years.

Many arguments have been made here based upon the present low price of products. We have been told that they have gone

down and down until they are selling for less than they did before the war when the cost of production was much less. Cotton is selling now for less than it did before the war. The average price of cotton in my country, taking all grades, at this time is, I think, not much more than $7\frac{1}{2}$ cents a pound; I know it is not over 8. The prewar price of cotton was about 15 cents a pound. It is selling now for slightly more than half as much as it sold for before the war. Yet here is a product, sugar, that is selling for from $33\frac{1}{2}$ to 40 per cent more than it did before the war, and still it is proposed by this bill to legislate it to a higher level by putting a tariff duty on it in addition to the existing duty.

Corn is a staple product of the farm. Corn sold during the war for more than twice what it is selling for now. It sold at from \$10 to \$11 a barrel last year, averaging at least \$10 a barrel, and is selling now for about \$3.50 a barrel, a little over one-third what it sold for last year and less than it sold for prior to the war. Yet here is a product, sugar, that is selling to-day in the markets of the country at a price of 33 to 40 per cent higher than the price at which it sold during the last two prewar years, and which it is proposed by legislation to artificially raise to a higher level.

There is no staple agricultural product in this country that has not fallen since the war more in proportion than sugar has fallen.

Mr. SMOOT. From 30 cents a pound to 8 cents a pound is a pretty good fall.

Mr. SIMMONS. I am now comparing prewar prices with the present prices. The point I am now discussing is that the two staple products that I mention, corn and cotton, the two greatest crops grown in the country, one the basis of our export trade, the other the largest single crop grown, have fallen below the prewar prices, probably from 20 to 30 per cent below prewar prices, and yet here is a product that is selling to-day in the markets of the country from 33 to 40 per cent above the prewar prices, and we are now asked by legislation to raise it still higher. Why is this? We are told it is because the cost of producing the crop of last year was so great—the crop was produced at a loss. This was the result of high prices for all the essentials that go into the planting, cultivation, and harvesting of the product.

Mr. President, I wish to ask the question: Are we invoking the doctrine of protection in this country to-day to make good past losses? Is that the proposition of the proponents of the measure, to make good past losses, to put a duty upon a product for the purpose of enabling those who produce it to recoup themselves for losses sustained? I have never so understood it. I have understood the purpose of these duties, from a Republican standpoint, to be in the future to enable the producer to compete with the products of other countries or to raise revenue, as the case may be. Now, if it is for the future—and that is the only logical, consistent ground upon which protective legislation can be advocated or defended even by protectionists—there is no mortal man, I do not care what his powers of logic and of analysis and of presentation may be, who can justify a tariff for the purpose of enabling those who produce a product to recoup losses that have already been sustained.

Let us look into the future of this product. I do not undertake to say that, at the high prices that prevailed last year, sugar could have been produced at 10 cents a pound, which will be the retail price if the duty goes on. I do not undertake to say that it could be done at these high labor and material prices, but I do undertake to say that with the readjustment of prices that is now going on, and which will inevitably reduce farm labor prices far below those that obtained in 1920, it could be done. Already in my country, I understand, farm labor has fallen from 50 to 75 per cent. It is tending toward prewar levels. It will not get there altogether. It ought not to get there. If we could get back to something like prewar level of labor and material costs, I take it that sugar could be raised and sold at a profit at a slight advance upon the prices which obtained before the war, and, as I have said, those prices were $5\frac{1}{2}$ to 6 cents a pound. Those are the prewar retail prices. The price is now $8\frac{1}{2}$ cents a pound, and at this price, with labor and materials properly readjusted, sugar may, it is believed, be profitably raised.

The world is in a desperate condition; the world is going to remain in a desperate condition for some time, and for that portion of our agriculturalists whose prices are fixed in the markets of the world and who can not be helped by a tariff at all the situation looks gloomy, but for the sugar industry I see no trouble. I see no reason and there is no reason and nobody can assign any good reason why sugar, with the present duty imposed on it, will be less than $8\frac{1}{2}$ cents a pound or from 33 to 40

per cent higher than it was during the prewar period. If this proposed duty is imposed on it, it will be still higher.

Mr. President, I want the Treasury to have all the money that is necessary to run the Government, and I admit that sugar is a very great revenue producer. Each cent of duty which is imposed on sugar raises in the aggregate somewhere around forty or fifty million dollars of revenue, but in levying duties that are purely revenue duties we ought to consider the consumers of the product; we must consider how necessary it is to the people. Here is a product some of which every human being consumes, because it is essential to life. It can no more be dispensed with than clothing can be dispensed with; it can no more be dispensed with than houses can be dispensed with. It is a necessity of life.

I say, regardless of the ease of raising revenue by imposing tariff taxes on necessities, we must consider the question of whether we shall not be unnecessarily and unjustly mulcting the people. We can not impose a revenue duty on an essential of life, however good a revenue producer it may be, to a point which would exact of the consumers of the article an undue proportion of the total revenues required to pay the expenses of the Government. I lay that down as a fundamental principle. Every interest in this country must contribute to the revenues of the Government and every interest ought to contribute in equal and just proportion to the Government expenses and to the bearing of the national burden. When we single out one article of common, universal, necessary consumption, and place upon it more than a fair proportion of that burden, we then discriminate against the consumers of that product in favor of the consumers of the other commodities which enter into the life, the being, the happiness and the comfort of the people of the United States.

During Mr. SIMMONS'S speech,

RAILROAD VALUATION.

Mr. WARREN. With the permission of the Senator from North Carolina, I ask that the joint resolution received from the House of Representatives to-day may be laid before the Senate and referred to the Committee on Appropriations.

The joint resolution (H. J. Res. 472) making an appropriation to continue the valuation of the property of carriers was read twice by its title and referred to the Committee on Appropriations.

Mr. WARREN. Mr. President, I wish to say that the Committee on Appropriations has authorized me to report the joint resolution back from the committee favorably, and ask for its immediate passage.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Wyoming?

There being no objection, the Senate, as in Committee of the Whole, proceeded to consider the joint resolution, and it was read, as follows:

*Resolved, etc., That there is appropriated, out of any money in the Treasury not otherwise appropriated, to enable the Interstate Commerce Commission to carry out the objects of the act entitled "An act to amend an act entitled 'An act to regulate commerce,' approved February 4, 1887, and all acts amendatory thereof," by providing for a valuation of the several classes of property of carriers subject thereto and securing information concerning their stocks, bonds, and other securities, approved March 1, 1913, including per diem in lieu of subsistence when allowed pursuant to section 13 of the sundry civil appropriation act approved August 1, 1914, and including not exceeding \$20,000 for rent of buildings in the District of Columbia, \$1,000,000, to be available during the fiscal year 1921: *Provided*, That this appropriation shall not be available for rent of buildings in the District of Columbia if suitable space is provided by the Public Buildings Commission.*

Mr. KING. May I ask the Senator if, in the appropriation bill which was passed a day or two ago, provision was not made for the very item to which reference is made in this joint resolution?

Mr. WARREN. No. The amount the Senator refers to was for the fiscal year 1922, and this is a deficiency for 1921. This item itself is in the deficiency appropriation bill now before the committee, and if we pass this joint resolution we shall cut the item out of that bill, which has not yet been reported to the Senate.

Mr. KING. I would like to ask the Senator from Wyoming if in the appropriation bill passed a year ago ample provision was not made for this purpose for the fiscal year 1921?

Mr. WARREN. Mr. President, we thought so at the time, but when the transportation act, so called, was passed, we put some extra duties on the carriers; and not only that, but we required haste in this valuation. So they are entirely out of funds, and have not money enough to pay the wages of their employees the middle of this month, who are scattered through the country.

Mr. KING. Does the Senator believe that in view of the passage of the Esch-Cummins Act there is any utility in perpetuating the organization to value the railroads?

Mr. WARREN. I hope it may not be perpetuated any longer than the appropriations already made shall continue, with the exception of this million dollars. I have not been one of those who believed it was worth as much as many others have believed from the first. But having expended all the millions of dollars we have expended, this is to bring it up to date and to predetermine the valuation upon which securities may be issued, and so on.

Mr. SIMMONS. Mr. President, I agreed to yield to the Senator from Wyoming, but not for a discussion—for the purpose of discussing some other measure. I do not wish to be taken off my feet right in the midst of a speech.

Mr. WARREN. I will say to the Senator that I thank him for his courtesy and except for the urgency which I stated I would not have asked it. Every employee on this work all over the country will have to be laid off unless the joint resolution is passed. I thought it might pass without discussion. I shall not discuss it any further.

Mr. KING. Just one word more and then I shall not discuss it further. I think we are throwing good money after bad and that it is a foolish and useless expenditure. I regret that we feel constrained to pass the joint resolution.

The joint resolution was reported to the Senate without amendment, ordered to a third reading, read the third time, and passed.

After Mr. SIMMONS's speech,

DISTRICT OF COLUMBIA APPROPRIATIONS—CONFERENCE REPORT (S. DOC. NO. 391).

Mr. CURTIS submitted the conference report on the bill (H. R. 15130) making appropriations to provide for the expenses of the government of the District of Columbia for the fiscal year ending June 30, 1922, and for other purposes, which was ordered to lie on the table and be printed.

PRESIDENTIAL APPROVALS.

A message from the President of the United States, by Mr. Sharkey, one of his secretaries, announced that the President had approved and signed bills and a joint resolution of the following titles:

On February 11, 1921:

S. 4891. An act to amend section 1 of an act approved February 26, 1919, entitled "An act to fix the salaries of the clerks of the United States district courts and to provide for their office expenses, and for other purposes."

On February 15, 1921:

S. 4515. An act to extend the time for the construction of a bridge across the navigable waters of the Newark Bay, in the State of New Jersey;

S. 4541. An act to extend the time for the construction of a bridge across the Susquehanna River at Harrisburg, Pa.;

S. 4587. An act granting the consent of Congress to the counties of Brooks and Lowndes, in the State of Georgia, to construct a bridge over the Withlacoochee River;

S. 4603. An act to revive and reenact the act entitled "An act to authorize the Gulf Ports Terminal Railway Co., a corporation existing under the laws of the State of Florida, to construct a bridge over and across the headwaters of Mobile Bay and such navigable channels as are between the east side of the bay and Blakely Island, in Baldwin and Mobile Counties, Ala.," approved October 5, 1917;

S. 4737. An act authorizing the Prescott Bridge Co. to construct a bridge across Lake St. Croix at or near the city of Prescott, in the State of Wisconsin;

S. 4787. An act granting consent for the construction, maintenance, and operation of a bridge across the Delaware River from the city of Philadelphia, Pa., to the city of Camden, N. J.;

S. 4825. An act to extend the time for the construction of a bridge across the Columbia River, between the States of Oregon and Washington, at or within 2 miles westerly from Cascade Locks, in the State of Oregon;

S. 4886. An act to revive and reenact the act entitled "An act to authorize the Hudson River Connecting Railroad Corporation to construct a bridge across the Hudson River, in the State of New York," approved March 13, 1914;

S. 4949. An act to authorize the building of a bridge across the Santee River in South Carolina;

S. 4950. An act to authorize the building of a bridge across the Pee Dee River in South Carolina;

S. 4951. An act to authorize the building of a bridge across the Wateree River in South Carolina; and

S. J. Res. 186. Joint resolution to extend the authority of the county of Luzerne, State of Pennsylvania, to construct a bridge across the North Branch of the Susquehanna River from the city of Wilkes-Barre, county of Luzerne, Pa., to the borough of Dorranceton, county of Luzerne, Pa.

AMERICAN COTTON ABROAD (S. DOC. NO. 396).

The PRESIDING OFFICER (Mr. WALSH of Massachusetts in the chair) laid before the Senate the following message from the President of the United States, which was read, and, with the accompanying papers, ordered to be printed and referred to the Committee on Agriculture and Forestry:

To the Senate:

I transmit herewith a report by the Secretary of State, covering information received by the Department of State in response to the instructions sent by that department to consul officers of the United States in foreign countries where American cotton is consumed, in pursuance of the Senate resolution of May 4, 1920, "to ascertain, as near as possible, what quantity of American cotton will be needed during the present year by the countries in which they are located," and "to make suggestions as to the means by which markets for American cotton may be enlarged and extended."

Reports received from most of the officers so instructed have been heretofore transmitted, and under date of December 23, 1920, were laid before the Senate and ordered printed as Document No. 348. The remainder of the reports, which had not been received by the Secretary of State at that time, are now transmitted.

WOODROW WILSON.

THE WHITE HOUSE,

Washington, 15 February, 1921.

MESSAGE FROM THE HOUSE—ENROLLED JOINT RESOLUTION SIGNED.

A message from the House of Representatives, by W. H. Overhue, its assistant enrolling clerk, announced that the Speaker of the House had signed the enrolled joint resolution (H. J. Res. 472) making an appropriation to continue the valuation of the property of carriers, and it was thereupon signed by the Acting President pro tempore.

The message also announced that the House had agreed to the amendments of the Senate to the bill (H. R. 14311) to authorize the improvement of Red Lake and Red Lake River, in the State of Minnesota, for navigation, drainage, and flood-control purposes.

EMERGENCY TARIFF.

The Senate, as in Committee of the Whole, resumed the consideration of the bill (H. R. 15275) imposing temporary duties upon certain agricultural products to meet present emergencies, to provide revenue, and for other purposes.

Mr. CALDER. Mr. President, I have been in receipt of some correspondence during the past two days from men who are interested in the sugar-refining business in New York City relative to the organization of a sugar commission in Cuba. Such a commission, as I am informed, has been authorized by the Cuban Government, some of the members are to be Americans and the others citizens of Cuba. This commission, I am advised, are to control the Cuban crop of sugar soon to be harvested. I understand from the newspapers that there has been some correspondence between the Cuban Government and our own asking approval of the organization of this commission. I should like to ask the Senator from Utah [Mr. Smoot] or any other Senator in the Chamber, if he can give us any information about the subject.

Mr. SMOOT. I will say to the Senator from New York that all I know about the commission to which he refers is what I have seen in the press reports, that such a commission was to be formed in order to finance the Cuban crop. From what the newspapers say the sugar producers in Cuba are in a rather critical condition, and can not finance the sugar crop without some assistance. I do not think our Government is going to appoint any commission at all to deal with the matter.

Mr. CALDER. I understand that.

Mr. SMOOT. I do not think our Government will agree that any commission shall be appointed to go to Cuba. All I can say to the Senator from New York is that I know nothing about the matter other than what I have seen in the newspapers.

Mr. CALDER. My information is that our Government has agreed to the appointment of this commission and that it shall have some control over the sugar crop, but under what terms I am not informed. I have asked the State Department for information on the subject and hope I may get it during the day; now while the subject is pending and before we vote finally

upon the question, I do not want and I do not think the Senate wants to pass upon this subject with the knowledge that a commission of the character indicated has been appointed and may in some way control the price of sugar to the American consumer.

Mr. SMOOT. The Senator from New York can hardly object to my amendment when it more than cuts the duty on sugar in two as compared with the duty imposed by the amendment which was reported by the committee in the bill. Nobody can object to my amendment, even if he desires free sugar.

Mr. CALDER. I am in sympathy with the Senator's amendment, but I am anxious to have the question of the appointment of this commission and its powers cleared up.

Mr. THOMAS. Mr. President, I am glad that the Senator from New York has brought the subject to the attention of the Senate and in that way to the attention of the public. It has been intimated to me that the combination to which he refers will very seriously impair the business of what are known as the independent cane-sugar refiners, because their ability to obtain the raw material for their refineries will be very largely circumscribed. I do not know whether that is so or not; but, generally speaking, such foreign combinations are more or less connected with or are apt to be connected with home combinations. I do not know that we can do anything; Cuba is an independent Government, and if that Government sees fit to control its sugar product, as Brazil controlled at one time its coffee product, the subject, while one of international concern, is perhaps beyond the legislative powers of the Congress. If the Senator has any documentary information bearing upon the subject I hope he will put it into the Record.

Mr. CALDER. Mr. President, I have a letter from a sugar refiner in New York, and he closes his letter with a statement which, I think, is perhaps the most important thing in it. Speaking of the organization of the sugar commission in Cuba, he says:

Should this commission function it will undoubtedly cause a very marked increase in the cost of sugar to the consumers in the United States; and we bring the matter to your attention, as we think it is of great importance that some action should be taken to have the situation carefully investigated. You will recall that Cuba enjoys a preferential of 20 per cent in imports into the United States. Any further information we can give you we shall be glad to furnish and will do so cheerfully.

Mr. SMOOT. Who is the author of the letter?

Mr. CALDER. It is from the head of one of the most important sugar refining companies in the country.

Mr. WALSH of Montana. Mr. President, some days ago I invited the attention of the Senate to some figures set forth in a report made by the Tariff Commission upon wheat and flour, together with the conclusions of the commission in relation to the subject, from which I think it was indubitably established that there is no justification for a duty upon wheat in consequence of a difference in the rate of exchange between this country and Canada. Some other features of the questions before us were canvassed, but that particular feature was the subject of some controversy with the Senator from North Dakota [Mr. McCUMBER], in charge of the bill, who challenged the table given in the report, namely, Table No. 5, saying that the comparisons were made between Winnipeg and Minneapolis instead of between Fort William or Port Arthur and Duluth or Minneapolis, or between Winnipeg and Chicago.

I was not able at that time to appreciate just the point that was urged in that behalf by the distinguished Senator, whose familiarity with that branch of the subject under discussion is profound. So I appealed to the Tariff Commission for some expression with reference to the matter, and have a letter from the chairman, which I shall read, as follows:

The Tariff Commission has issued two reports upon the tariff problem in wheat and wheat flour. In the first report, "Agricultural Staples and the Tariff," the general character of the trade and competition in these products was set forth in considerable detail; in the second, "Wheat and Flour Trade," the more recent developments were briefly indicated. In both these reports Minneapolis cash prices of No. 1 northern were compared with Winnipeg quotations, which are for wheat in store at Fort William and Port Arthur on the lake front.

So, as a matter of fact, the comparison was made as between Fort William and Port Arthur prices and those at Minneapolis.

It is believed that Minneapolis prices afford a much better comparison with the Winnipeg quotations than do those at Chicago, for the reasons noted below. It may be added that because of differences in the grading, Manitoba No. 1 northern is generally considered by millers to be worth several cents more per bushel than the like American grade.

(1) Minneapolis is preeminently the cash and future market for American spring wheat, the class which constitutes nearly all of Canada's exports. It grinds far more spring wheat than does any other milling center. From July 15, 1918, to December 31, 1920, for instance, it received nearly eight times as much wheat of this class as did Chicago, which is primarily a market for winter wheat.

Receipts of spring wheat at Minneapolis and Chicago.

	Minneapolis.	Chicago.
	<i>Carloads.</i>	<i>Carloads.</i>
July 15, 1918, to June 30, 1919.....	70,719	12,560
July 1, 1919, to June 30, 1920.....	49,536	6,370
July 1, 1920, to Dec. 31, 1920.....	40,213	2,985

(2) Freight rates from the Canadian West to Fort William and Port Arthur are more nearly comparable with the rates to Minneapolis than to American points farther east.

	Port Arthur and Fort William.	Duluth and Minneapolis.
Regina.....	32½	34
Edmonton.....	40½	44½
Calgary.....	40½	43
Saskatoon.....	38	40½

(3) Transportation costs from Minneapolis to Liverpool—ordinarily the "ruling market"—are more comparable with those from Winnipeg. Ocean freights are approximately the same from Montreal and New York. Much Canadian wheat goes for export via New York, and approximately equal rates apply from Minneapolis and Port William to New York.

Accordingly, Mr. President, it appears, as shown by Table No. 5, that the prices of the same grade of wheat in Winnipeg and in Minneapolis—the Winnipeg wheat being in the elevators at Fort William and Port Arthur, on Lake Superior—are, when the difference in the rate of exchange is taken into consideration, substantially the same; and, as it seems to me, it must be so, except in occasional and inconsequential cases. If this bill is passed, and Canadian wheat is forbidden entrance into this country, it will, of course, go to Liverpool; it will depress the price of wheat in Liverpool, and the Montana farmer gets for his wheat the Liverpool price less the cost of transportation to Liverpool. Accordingly, it is a matter of no consequence to him whether this duty is 30 cents a bushel or 40 cents a bushel or \$1 a bushel; it profits him absolutely nothing.

Mr. President, this is not only my conclusion with respect to the matter but it is the view expressed clearly by the Tariff Commission in the report to which I have adverted. I read:

Both Canadian and American wheat prices have in general reflected quotations in the world markets. But while Winnipeg prices of hard spring wheat were always on an export basis, Minneapolis prices were frequently above the export point. Moreover, Minneapolis prices were consistently higher, though the spread diminished after the reduction and subsequent removal of the duty on Canada's wheat. The differential in favor of Minneapolis was particularly large in years when the harvest of American hard spring wheats was short or of poor quality.

That is to say, when we have no wheat for export, and are consuming in this country our available supply, the local price will be higher than the export price.

This price disparity is especially noteworthy in view of the fact that during 1906-1916 the Canadian wheat was worth several cents more per bushel because of differences in grading.

When the higher price levels in Minneapolis are considered in connection with the equality in freight rates from producing sections in western Canada to Minneapolis, Fort William, Port Arthur, and Duluth, and with the further fact that the costs of transportation from Fort William or Port Arthur to Liverpool via Montreal are, if different at all, slightly lower than from comparable points south of the border, it is evident that the import duties have prevented the equalization of prices in American and Canadian markets through a flow of Canadian grain to the former. Thus, the import duties have been of especial benefit to the American grower in the years of shortage of hard wheat, when domestic prices rose above the export point. The domestic supply of hard spring wheats is grown chiefly in the Dakotas and Minnesota; of hard winter, in Kansas, Nebraska, and Oklahoma. These two classes—hard spring and hard winter—are directly competitive. To a lesser degree, also, they compete with soft wheats. In durum wheat, raised chiefly in the Dakotas and Montana, there is virtually no competition.

So, Mr. President, I conclude that there is absolutely no ground whatever for hoping that the price of wheat is going to be raised by one penny by reason of this duty to the farmer in my State. Disadvantages, however, will accrue to him and to all other growers of wheat by reason of this duty—a matter to which I now desire to allude.

Mr. POMERENE. Mr. President—

Mr. WALSH of Montana. I yield to the Senator from Ohio.

Mr. POMERENE. If it will not interrupt the Senator, I should like to quote a paragraph or two from a speech made by the distinguished Senator from Michigan [Mr. TOWNSEND] during the reciprocity debate.

Mr. WALSH of Montana. I shall be glad to have it.

Mr. POMERENE. The CONGRESSIONAL RECORD of June 27, 1911, volume 47, page 2552, contains the speech of the distinguished Senator from Michigan delivered during the time of the reciprocity debate; and, as bearing upon this subject of the prices of wheat, he said:

During the last 19 years wheat has fluctuated in price in Canada and in the United States. In 1890, 1891, 1897, 1899, 1902, 1903, 1904, 1905, 1906, 1907, and 1909 wheat was higher in the United States than it was in Winnipeg. In some of those years the difference was negligible. During the years 1892, 1893, 1894, 1895, 1896, 1900, 1901, and 1908 wheat was higher in Winnipeg than it was in Chicago. This shows that during 11 of the last 19 years wheat averaged higher in the United States than it did in Canada, and during 8 of those 19 years it averaged lower in the United States than in Canada. Now, if we apply the standard heretofore mentioned and say that the United States farmer would have lost on his wheat during the designated 11 years when wheat was higher in the United States than it was in Canada, if the United States tariff had been removed, shall we not be obliged to apply the same doctrine, per contra, and assert with equal certainty that he would have gained during the 8 years when wheat was higher in Canada than it was in the United States if the Canadian tariff had been removed?

If such would be the logical result of this theory, will it not be necessary to figure up and strike a balance by arithmetical calculation before we know whether the farmer would have been injured by free trade in wheat with Canada? What is true of wheat is even more marked in reference to other farm products. During practically all of the last 19 years corn, oats, milk, hogs and hog products, and sheep have been higher in Canada than in the United States, and every farm product has, during some of the last 19 years, been higher in Canada than it has been in the United States.

Mr. WALSH of Montana. Mr. President, so long as the Canadian farmer can get substantially the same price in Canada that he can get in the United States, he has no object whatever in transporting his wheat to the United States, except—a matter to which I now desire to refer—that frequently it is very much more convenient and much more economical for him to ship over American lines and through American ports to foreign ports than it is to ship over Canadian lines and through Canadian ports. Accordingly, it argues nothing whatever to establish that there have been large importations of wheat into this country from Canada. Prior to 1917, when the tariff on Canadian wheat was removed, and our reciprocal tariff went with it, wheat for export from Canada going through American ports and over American railroads was shipped in bond, and we could tell just exactly where it was going. Large quantities during that time were shipped in bond over American railroads and through American ports to foreign ports; but now it is not necessary to ship it in bond, and large quantities of wheat are coming into this country and going right through either in the form of wheat or in the form of flour for export to foreign ports. There is still some going in bond, because there are some advantages; the identity of the wheat is preserved, and other advantages accrue; but large quantities of the wheat that come to this country from Canada pass right on to foreign ports.

Mr. SMOOT. Mr. President, will the Senator yield?

The PRESIDING OFFICER (Mr. STERLING in the chair). Does the Senator from Montana yield to the Senator from Utah?

Mr. WALSH of Montana. I yield.

Mr. SMOOT. The Senator understands that the Canadian farmer to-day, in shipping his wheat to an American market, has an advantage in foreign exchange that he never has had before.

Mr. WALSH of Montana. Mr. President, I discussed the subject of exchange the other day. I showed that there was no advantage whatever, as suggested by the Senator, on account of the disparity in the rate of exchange. The prices are higher in Canada because the exchange is against that country. Reduced to American money, I showed that the prices are substantially identical.

Mr. President, what, then, will be the effect of excluding Canadian wheat from this country? We take away a large amount of traffic from American railroads. We take away a large amount of traffic from American ships that ply upon the Great Lakes. We take away from our mills and manufactories in this country a large amount of Canadian wheat that we could mill in this country. We deprive men who are engaged in work upon docks in our country and in the elevators in our country of employment that they otherwise would have in handling the wheat thus passing through.

In other words, we lose all of this transportation business. In addition to that loss, in addition to losing the opportunities for milling the wheat that now comes from Canada, there is lost a large amount of mill feed as by-product of the milling process that is utilized for fattening stock, thus increasing the cost to producers of live stock of preparing their product for the market. Furthermore, it is a well-known fact that this Canadian wheat, often of a higher grade, is mixed with the lower grades of wheat produced in this country, making a more desirable flour, and thus a better market for the lower grades of wheat produced in our country. This advantage is to be surrendered.

In short, I am confident that this duty upon wheat will not benefit the farmers of the West, and that it will result detrimentally not only to them but to the interests of our country as a whole.

Mr. THOMAS. Mr. President—

The PRESIDING OFFICER. Does the Senator from Montana yield to the Senator from Colorado?

Mr. WALSH of Montana. I yield.

Mr. THOMAS. I trust the Senator will not overlook the fact that it also affects our export trade to Canada.

Mr. WALSH of Montana. Undoubtedly. Of course, as I said, if the Canadians can not sell their wheat in this country they will ship it to Liverpool, and instead of taking American products in exchange for the wheat that they would otherwise sell in this country they will with the avails take English goods, and thus there is a loss not only to our manufacturers but to our workers who find employment in the factories of this country.

Mr. POMERENE. Mr. President, if the Senator will permit me to observe, already the members of the Canadian Parliament are threatening retaliatory measures if this bill becomes a law.

Mr. WALSH of Montana. Now, Mr. President, I want to pass for a few moments to a consideration of the subject of wool—to my mind perhaps the single meritorious provision in this bill, with the possible exception of that dealing with long-staple cotton.

The depressed condition of the wool industry in this country at the present time is succinctly but accurately stated in a report made by the Tariff Commission, from which I read as follows:

The range woolgrowers can not yet dispose of their wool.

This is issued under date of January 11. The wool clip for the past year would ordinarily be disposed of throughout our country by the 1st of August. Under date of January 11, it is said:

The range woolgrowers can not yet dispose of their wool. Their sheep values have diminished by 50 per cent, thus reducing their assets. They need further loans to carry them through the winter, but they are heavily in debt after the trying season just closed, and their assets are already pledged to the limit as security for their present debts. The drought of 1919, followed by a hard winter and a late, cold spring, caused high feed costs and other operating expenses. There were severe sheep losses during the winter, a light lamb crop and heavy lamb losses during the spring. The wool clip was rather light and very little was sold—virtually none north of central Arizona. Expectations of high prices for the lamb crop were not realized in part, at least, because of heavy and unexpected imports of frozen lamb and mutton from Australasia and South America. The severity of the blow resulting from failure to get money for the wool shorn, which is normally counted on to pay expenses of the previous winter and spring, was increased by the shrinkage in the money receipts expected from the sale of lambs. The sheepmen have generally been unable to liquidate old indebtedness for newer loans placed after their wool money failed, because the receipts from lamb sales have gone largely to pay operating expenses up to December 1. In many cases the western banks can not safely make further loans, but without purchase of feed many of the sheepmen can not hope to bring their flocks through the winter even if the season be exceedingly mild. The result of this condition is likely to be serious and far-reaching.

Mr. President, this does not overstate the case. It has been frequently referred to heretofore, and I shall not take the time of the Senate in further elaborating upon it. It is about as bad as can be imagined.

But, Mr. President, if the facts thus outlined were the only considerations they would not, in my judgment, merit any special legislation by Congress. In the main they relate to the ordinary exigencies of the business. In the main the recital makes mention only of the usual risks that any man who goes into business must take, as any man who goes into other lines of business of a productive nature must take. But, Mr. President, the depressed condition at the present time arises not alone from these natural conditions to which reference is made, but in no small measure by reason of the action of the Government itself; and to that extent, at least, and because of that condition, it is a proper matter, as it seems to me, for governmental interposition.

During the war the Government, with a prudence and foresight that were altogether commendable, gathered in wool from all over the world. Wherever they could buy they bought, and brought it here so that our soldiers on the battle field and in the camps might be provided with blankets and with adequate clothing. When the armistice came it was found that the Government had on hand 600,000,000 pounds of wool, which it has disposed of from time to time to dealers and manufacturers, until the accumulation has been disposed of down to something below 60,000,000 pounds, a very large portion of that still being in the hands of dealers and manufacturers throughout the country; and it is because of this great accumulation, in large part, that the present price of wool is away below the actual cost of production.

Not only that, Mr. President, but in order to take care of the woolgrowers of Australasia, who were unable to get their product to the usual markets by reason of the shipping conditions, the Government of Great Britain took over for two years the entire wool clip of that region, which it has been disposing of from time to time, the glut in the market being intensified from that source.

So I believe, Mr. President, that a case is made out on behalf of the woolgrowers of the country for governmental aid. I should have been glad, if this item were segregated from the other items of the bill, to go as far even as the imposition of an embargo for a limited period upon importations of wool into this country until the market conditions for which the Government itself is in a large measure responsible were restored to what has been expressed as normalcy.

But, Mr. President, those in charge of the legislation in Congress saw fit to tie up the provision for the relief of the wool industry with other provisions so forbidding in their nature that I am unable to give my support to this bill.

Reference was made a few days ago to the amendment offered to the bill imposing a duty upon frozen meat.

I read:

Fresh or frozen beef, veal, mutton, lamb, and pork, 2 cents per pound. Meats of all kinds, prepared or preserved, not specially provided for herein, 25 per cent ad valorem.

Mr. President, it must be recognized that those who immediately benefit by that provision, whatever may be the ultimate result, are those who put meats upon the domestic market. We have been advised that the annual consumption of meats of this class in this country amounts up to an aggregate of 25,000,000,000 pounds, and we were told only a few weeks ago, in the discussion of what is known as the "packers' bill," that the packers control and put upon the market 75 per cent of all the meat consumed in the United States. The result is, Mr. President, that whatever benefit accrues to anyone by reason of this provision accrues first—to the extent of 75 per cent thereof—to the packers and other producers of dressed meats that go upon the market.

It is easy to compute, Mr. President, that if the price should increase 2 cents a pound on 25,000,000,000 pounds it would mean an increase in the bill of the consumers of meat in this country of \$500,000,000, 75 per cent of which, or over \$300,000,000, goes into the coffers of the packers of this country. Of course, the price of meat may not be increased, but the purpose of the enactment of this tariff is to increase the price of meat.

Mr. President, we were told in the same debate, in connection with the packers' bill, that the growers of live stock do not get prices for what they produce in accordance with the prices paid to the packers for the product they put upon the market. In that connection it was conceded that the purpose of that bill was to insure better prices to the producers of live stock, and it was urged, and an appeal was made to representatives particularly from the New England States and the other manufacturing States of the East to oppose the measure, it being advanced that if, indeed, the price should be increased to the producers of live stock it would mean an increase in prices to the consumers of meat in the industrial centers.

But the Senator from Massachusetts [Mr. WALSH] disclosed, by elaborate tables prepared by the Bureau of Markets of the Department of Agriculture, that such a conclusion does not follow at all, and that the prices exacted of the consumer bear no relation whatever to the prices the packers pay to the producers of live stock.

Mr. President, if the price of meat to the consumer will not go up when the price is higher to the producer of live stock, the price of live stock will not go up when a higher price is paid for dressed meat to those who put it upon the market.

Mr. President, here is the proposition which confronts us: We are offering a subsidy to the meat packers of this country of something like \$300,000,000, in the hope that they will divide with the growers of live stock in this country. For myself, considering the history of the packing business, I am unwilling to indulge any hope of that character.

Now let us proceed to the subject of sugar. The bill provides for a duty of 1 cent a pound upon sugar, and an additional amount for each degree, under the polariscope test, over and above 75 degrees, a thing a little difficult to understand, but, as I understand it, it figures out practically 2 cents a pound, taking into consideration the differential in favor of Cuban sugar under the treaty with that country. In other words, Mr. President, it is proposed to put a tariff upon sugar which will increase the price of that staple article, as it is hoped, to the extent of 2 cents a pound.

Mr. RANSDELL. Mr. President—

The PRESIDING OFFICER. Does the Senator from Montana yield to the Senator from Louisiana?

Mr. WALSH of Montana. I yield.

Mr. RANSDELL. I am sure the Senator does not want to state the matter incorrectly. The amendment offered by the Senator from Utah [Mr. SMOOT], which my colleague [Mr. GAY] stated yesterday he was willing to accept, would add 1 cent to the present duty. The present effective duty on Cuban sugar

is 1 cent, and the amendment offered by the Senator from Utah would add 1 additional cent, so that it would be, in addition to the present duty, 1 cent, and not 2 cents.

Mr. WALSH of Montana. I can not agree with the Senator.

Mr. RANSDELL. I will ask the Senator from Utah if I have not stated his amendment correctly?

Mr. SMOOT. That is absolutely correct; there is not any question about it.

Mr. WALSH of Montana. I do not care to enter into a discussion of the amendment. I refer to section 2, which provides that—

The rates of duty imposed by section 1 (except under paragraphs 17, 19, and 20) in the case of articles on which a rate of duty is imposed by existing law, shall be in lieu of such rate of duty during the 10 months' period referred to in section 1.

Section 20 is not excepted in that. I am talking about the amendment proposed by the Senator from Utah, because I assume that is the one which is to be adopted. If the amendment reported by the committee is to be adopted, the amount would have to be increased.

Mr. SMOOT. I assure the Senator that the amendment offered by me increases the rate of duty on sugar 1 cent a pound, and that is all.

Mr. WALSH of Montana. The amendment proposed by the Senator from Utah reads as follows:

Sugars, tank bottoms, sirups of cane juice, melada, concentrated melada, concrete and concentrated molasses, testing by the polariscope not above 75°, seventy-one one-hundredths of 1 cent per pound, and for every additional degree shown by the polariscope test, twenty-six one-thousandths of 1 cent per pound additional, and fractions of a degree in proportion; molasses testing not above 40°, 15 per cent ad valorem; testing above 40° and not above 56°, 21 cents per gallon; testing above 56°, 4½ cents per gallon; sugar drainings and sugar sweepings shall be subject to duty as molasses or sugar, as the case may be, according to polariscope test. That the duties in this paragraph herein imposed are in addition to the rates of duty imposed on such sugar by existing laws, and shall in no manner affect or impair such existing laws.

Mr. President, let me proceed. I say it is 2 cents a pound. If I am wrong about it, and anyone can demonstrate that I am wrong, it is a very easy thing to reduce the amount in proportion. I am going to proceed upon that basis.

I have before me the last Statistical Abstract, Mr. President, from which it appears that the consumption of sugar in this country amounts to something over 82 pounds per person per annum. That, of course, includes sugar used in the preparation of foods as well as sugar that is used upon the table.

An increase of 2 cents per pound in the price of that sugar means an additional burden upon every man, woman, and child in the United States of \$1.60 a year, and with 105,000,000 people in this country it is easy to compute that it means a burden upon the people of this country of something over \$160,000,000, the share that is imposed upon the people of my State, with a population of something less than 600,000, exceeding three-quarters of a million dollars. I am unwilling to vote that tax upon the people of my State.

The Senator from Texas [Mr. SHEPPARD], who made a very eloquent address immediately before the recess last evening, understands that this act is for the benefit of agriculture and for the benefit of agriculturists alone, but everyone will appreciate that, as in the case of frozen beef and other fresh meat, the immediate benefit of the duty on sugar does not go to the farmers. It goes to the manufacturers of sugar, who may or may not divide what they get with the growers of sugar cane and sugar beets, and we complacently trust in them to make the division.

Some question was raised last night as to who these people are who own the sugar factories around the country. We were advised by the Senator from Utah [Mr. SMOOT] that the American Sugar Refining Co., the Sugar Trust, does not own a controlling interest in the Utah-Idaho Sugar Co.

Mr. THOMAS. Mr. President—

Mr. WALSH of Montana. I yield to the Senator from Colorado.

Mr. THOMAS. I think while that is true it is due to the investigation, followed by the suit of the United States that dissolved the Sugar Trust, and the American Co.'s disposition of its beet-sugar stock was made in consequence of that investigation and the pendency of that suit.

Mr. WALSH of Montana. I do know that in the hearings before the lobby investigating committee, of which the Senator from North Carolina [Mr. OVERMAN] and myself were members—I see him in the Chamber now—it was disclosed and undisputed that the American Sugar Refining Co. owned 51 per cent of the stock of that company and that the remainder was owned by the aggregation known as the Mormon Church. However, that was held simply in trust for the members of that church, so it might very properly be said that 49 per cent was

owned by the people of Utah and the neighboring States. The fact is, as it was also disclosed, that the American Sugar Refining Co. practically owns all of the Western Sugar Co., which controls most of the factories in the State of Colorado, and controls and owns the Billings sugar factory that owns and operates the great sugar factory in my own State.

Mr. SMOOT. I wish to say to the Senator that there are over 2,000 stockholders in the Utah-Idaho Sugar Co.

Mr. WALSH of Montana. They have acquired their stock since 1913. I have the testimony here before me.

Mr. SMOOT. The Senator will find that, no matter who testified, I have stated the fact. I wish to say that it is not true that the Sugar Trust owns any such interest in the Utah-Idaho Sugar Co.

Mr. WALSH of Montana. Anyone can verify the assertion made by referring to volumes 1 and 2 of the Senate hearings before the subcommittee of the Committee on the Judiciary investigating the maintenance of a lobby to influence legislation. At that time it was disclosed that the most active lobby in the country was the sugar lobby.

Mr. SMOOT. All I wish to do is to have the record correct. Last evening I said the Sugar Trust did own a controlling interest in the Utah-Idaho Co. years ago, but they do not now own any stock whatever in it; and when they owned the control there were, I think, between 1,000 and 2,000 stockholders owning the 49 per cent, and not one aggregation known as the Mormon Church.

Mr. WALSH of Montana. But this is all beside the subject.

Mr. SMOOT. Yes; it is.

Mr. WALSH of Montana. It is rather an unimportant matter. The point I am trying to make is that whatever benefit ensues to anyone by the duty being considered does not accrue, directly at least, to the growers of sugar beets or the growers of sugar cane. It goes immediately to the refiners and other manufacturers of sugar, and if they give any portion of their added profits to the growers of beets or the growers of sugar cane, they will exhibit a generosity that is not characteristic, though we trust them implicitly to make such a distribution. We have no reason to trust them. We have no reason to expect that they will divide what they get with the growers of sugar beets particularly. I speak about that branch of the subject because I am not particularly familiar with the operations so far as sugar cane is concerned.

As in the case of meats, the price of beets to the farmer does not go up with the price of sugar or go down with the price of sugar, neither does it go up when we put a tariff on or come down when we take a tariff off. Other considerations fix the price of sugar beets to the farmer. I have before me a table prepared by the Bureau of Crop Estimates for the purpose of showing just exactly what effect the tariff of 1913 had upon the price that was paid to farmers for sugar beets. We took the tariff off sugar at that time except to the extent of 1 cent a pound, and the farmers got no less for their sugar beets. I read:

Average prices paid producers of sugar beets in Montana and United States, 1910 to 1920. Source, Bureau of Crop Estimates.

Year	Price per ton.
1910:	
Montana	\$5.00
United States	5.05
1911:	
Montana	5.97
United States	5.50
1912:	
Montana	6.44
United States	5.82
1913:	
Montana	5.89
United States	5.69

We reduced the tariff that year; but watch the year 1914:

Year	Price per ton.
1914:	
Montana	\$5.95
United States	5.45

The factory paid more for beets in Montana when the tariff was taken off than they did while the tariff was on:

Year	Price per ton.
1915:	
Montana	\$5.97
United States	5.67
1916:	
Montana	6.45
United States	6.12
1917:	
Montana	7.54
United States	7.37
1918:	
Montana	10.00
United States	10.00
1919:	
Montana	10.95
United States	11.74
1920:	
Montana	12.00
United States	11.63

So it will be observed that the price of sugar beets goes up with the price of commodities in the country generally and goes down, apparently, with the price of commodities in the country generally, without any reference to whether there is a tariff on sugar or not.

So I am not going to fool myself into the belief that if we vote \$160,000,000 into the pockets of the American Sugar Refining Co. and other manufacturers of sugar in this country the growers of sugar beets are going to get any kind of relief from the distressed condition in which they find themselves at this time.

I have invited attention to some features of the bill which bear heavily upon the consumer and which, in my judgment, are essentially vicious. I wish now to speak of one or two that, to use language that would pass out in our country, however unparliamentary it may be, are pure "bunk." I refer particularly to the provision imposing a duty of 15 cents a bushel on corn, the third item of the bill:

Corn or maize, 15 cents a bushel of 56 pounds.

Referring to the Statistical Abstract, I learn that in the year 1919 we produced in this country 5,502,665,000 bushels of corn; that we exported of that 23,018,822 bushels; that we retained for domestic consumption 2,475,646,178 bushels; and that the net imports to this country were 3,346,463 bushels. In other words, in 1919, of corn we exported seven times the amount that we imported and we produced seventy times the amount that we imported. I wish some expert in finance would explain to me how, under those circumstances, the imposition of 15 cents a bushel on corn, or \$15 a bushel on corn, would advantage the growers of corn by a single cent.

Mr. HARRISON. Mr. President, it may be that it was placed there as a revenue producer. I notice from the figures that it is expected to get \$2,000 per annum from that source.

Mr. WALSH of Montana. I can not bring myself to vote for a subsidy of \$300,000,000 to the Meat Trust in the vain hope that it will divide on an equitable basis or on any basis with the producers of live stock. I am unwilling to burden the householder of the country with an added sugar bill of \$160,000,000, one million of which would be contributed by the people of my State, in the infantile belief that the Sugar Trust and other refiners and manufacturers will turn it, or any substantial part of it, over to the farmers who produce cane or sugar beets.

These are not the only infamies in this measure, but they sufficiently characterize it. They not only characterize it, but they illustrate the natural tendency of every tariff bill framed on the protective principle to become a bundle of infamies. The frozen meat amendment appears here on the insistence of a member of the committee coming from a section of the country in which the leading industry is the production of live stock and whose support it was deemed wise to secure. The sugar amendment assures at least two Democratic votes for the bill. Peanuts and cottonseed oil are offered as a bait to southern Senators traditionally opposed to legislation of this character. Corn finds a place in the list of commodities protected by this emergency measure.

What is the emergency that should impel Congress to come to the aid of the corn belt and from what country is it essential to exclude importations of corn? Let us have some exposition of the necessity of how the price of corn can be raised by an import duty, otherwise we are forced to the conclusion that this item was incorporated to give Members from the corn country an opportunity to fool their constituents into the belief that they too profit by this bill which so generously "scatters plenty over a smiling land."

A tariff bill almost inevitably becomes a vicious log-rolling affair, the supporters of the meritorious features, if it has any, being obliged to submit to the inclusion of numberless items that are utterly indefensible. It acts as a magnet to draw to the Capital the predatory and those in whom cupidity is a distinguishing trait. They deceive by their plausibility and get consideration by the votes they command. They eagerly attach themselves to the political party which commits itself to a policy that affords them an opportunity to plunder the public, and are numbered among its most generous contributors. They give up without compelling resort to the methods known to over-zealous or conscienceless campaign managers for "frying the fat" out of the general run of those immediately interested in protective duties. The whole system is corrupting and has exercised a debasing influence on American political life. I am unwilling to countenance it by my vote in favor of this measure, even though it promises some relief to the wool industry in which my State leads, and which is beset with untoward conditions, for which the Government is itself in no small measure responsible, that are discouraging in the extreme and that may

mean bankruptcy and ruin for not a few engaged in the business. The Government owes them the highest consideration, but I am unwilling to accept it for them upon condition that subsidies amounting up to hundreds of millions be voted to interests entitled to no special consideration.

Mr. SMOOT. Mr. President, the Senator from Montana still insists that the amendment which I have offered as a substitute for the committee amendment imposes an additional duty of 2 cents a pound on sugar. I do not know who told the Senator that, but I wish to state to the Senator that it is a mistake, for the amendment does not do any such thing.

Mr. WALSH of Montana. Will the Senator from Utah pardon an interruption?

Mr. SMOOT. Yes.

Mr. WALSH of Montana. The Senator from Montana had the assistance of the advice and counsel of the junior Senator from Louisiana [Mr. GAY], who figured it out for him.

Mr. SMOOT. Does the junior Senator from Louisiana say that my amendment adds to the present tariff a duty of 2 cents a pound on sugar?

Mr. WALSH of Montana. I asked the junior Senator from Louisiana to figure out what the duty would be under the amendment of the Senator from Utah, and he figured it out as being 2 cents a pound.

Mr. RANSDELL. The junior Senator from Louisiana meant 2 cents in the aggregate, not 2 cents in addition.

Mr. GAY. If the Senator from Utah will yield to me, I desire to say that his amendment figured out 1 cent more than the present rate of duty.

Mr. SMOOT. But that is not what the Senator from Montana said. The Senator from Montana said it was 2 cents more, and I told him that it figured out 1 cent more than the present rate of duty.

Mr. GAY. The total duty, with the addition of the duty imposed by the amendment of the Senator from Utah, would amount to 2 cents.

Mr. SMOOT. That is true, but my amendment adds only 1 cent. I will say to the Senator from Montana that I can figure it out in a minute if he desires to know what my amendment does. The amendment provides that for every degree above 75 degrees there shall be an additional duty of twenty-six one-thousandths of a cent per pound. It begins with 71 cents at 75 degrees. There are 21 degrees above 75 to make it 96 per cent, the percentage of raw Cuban sugar, and twenty-six one-thousandths of a cent on that makes 546 cents, and the 71 cents for the 75 degrees makes \$1.25½; and the differential on Cuban sugar is 20 per cent, making 1 cent a pound duty on sugar.

Mr. WALSH of Montana. Let me ask the Senator if the difference between him and me is not merely the difference between \$80,000,000 and \$160,000,000?

Mr. SMOOT. Yes; if the law were in operation for a full year and 8,000,000,000 pounds of sugar were consumed, the difference would be the difference between \$80,000,000 and \$160,000,000. That is exactly what it would be.

The Senator from Montana also said that the beet grower will get no advantage whatever from the duty; that it will not go to him; that the price of beets is not based upon the price of sugar. I do not know what is the custom in Montana, but I know what it is in Utah; and I know that the minimum price for beets during the last year was \$12 a ton. I further know that the contract provides that for every dollar of increase in the price of sugar beyond a price of 12 cents per pound the farmer shall get \$1 a ton more for his beets. That is the contract in the State of Utah, and in all of the places where the Utah-Idaho Sugar Co. operates the same contract provision is made. If sugar had remained at 20 cents a pound, the beet farmers in Utah would have received \$20 a ton for their beets. The beet-sugar factories were compelled to pay \$12 a ton to the farmer, though it cost, with \$12 beets, \$0.54 a hundred to make the sugar, while the factories are selling the sugar to-day for \$7 a hundred, or 7 cents a pound.

Mr. WALSH of Montana. The figures which I gave showed that the factories also paid \$12 a ton for sugar beets in Montana.

Mr. SMOOT. And there was not any change in the duty upon beets.

Mr. WALSH of Montana. That price was regarded as being so unremunerative by the farmers that the sugar-beet factories last year were able to obtain only one-fourth of their beet capacity.

Mr. SMOOT. At \$12 a ton?

Mr. WALSH of Montana. At \$12 a ton.

Mr. SMOOT. Then the situation in Montana is very different from what it is in other States where the beet-sugar industry exists. The Utah and Idaho sugar factories produced last year

more bags of sugar than they ever produced in all their existence. They produced, as I stated on yesterday, 2,300,000 bags of sugar.

It seems to me, Mr. President, it is a far-fetched proposition to stand here and talk about the price of beets advancing during the time of war. Everything advanced. The duty had nothing whatever to do with the price for beets or any other article. It was a question of what the manufacturer would sell for. All countries in the world paid unheard-of prices for everything. It was not any law which was passed by Congress which produced that effect; it was the existing conditions.

The Senator from Montana refers to the Meat Trust being benefited, and they only because of the duty upon frozen meats. Does not the Senator know that from Australia there have been millions of pounds of frozen mutton carcasses imported and constantly coming into this country? Does he not know that every cold-storage plant in the United States is filled with those carcasses and not owned by the packers, but held to sell against the sheepman, who is compelled to go into the same market to sell his mutton?

Mr. WALSH of Montana. If the proposed tariff shall raise the price of meats, every man who has that stock which has been brought here from Australia and elsewhere will profit by it, will he not?

Mr. SMOOT. Yes; but the tariff will stop any more coming in here by the millions of pounds, at least, or if it comes in it will have to pay 2 cents a pound duty.

Mr. WALSH of Montana. The Senator from Utah must not get into a dispute with me. Of course, we all expect it will raise the price 2 cents. My argument was that that would not go to the farmers of the country, but to the meat dealers.

Mr. SMOOT. If on frozen beef coming into this country from Australia we impose a duty of 2 cents a pound if it is brought in here, the increased price will go to the farmer, because the price of American mutton would be advanced that much.

Mr. HARRISON. Mr. President, may I ask the Senator what per cent of fresh meats in this country are controlled by the five big packers?

Mr. SMOOT. I heard the Senator from Montana say 75 per cent.

Mr. HARRISON. Does the Senator from Utah take issue with him on that statement?

Mr. SMOOT. Yes; I take the report—

Mr. HARRISON. How much does the Senator say the percentage is?

Mr. SMOOT. Some say they control a little over half of it and some say a little less than half.

Mr. HARRISON. What does the Federal Trade Commission say, may I ask the Senator?

Mr. SMOOT. I forget the exact percentage which they fix.

Mr. HARRISON. They say 73 per cent, do they not?

Mr. SMOOT. In some cases; in the case of beef, but not in the case of mutton.

Mr. HARRISON. Of fresh and frozen meats they control 73 per cent.

Mr. SMOOT. That is what the Senator says.

Mr. HARRISON. That is what the Federal Trade Commission says.

Mr. SMOOT. Yes.

Mr. President, the Senator from Montana has undertaken to make a great deal out of the fact that in years past there was a duty on sugar beets. A low rate of duty was put on sugar beets, but that was before there was any sugar-beet industry developed in this country.

Mr. WALSH of Montana. Mr. President, the Senator misunderstood me. I did not speak about any duty on sugar beets.

Mr. SMOOT. What did the Senator have reference to, then?

Mr. WALSH of Montana. If the Senator had followed me, he would have understood the reference. I was speaking about taking off the duty on sugar and stated that the price of beets did not fall when the duty was taken off of sugar, and I asserted that it would not rise when the duty is put on.

Mr. SMOOT. The Senator may have said "beet sugar," but I understood his reference to be to sugar beets. However that may be, Mr. President, so far as the duty on sugar is concerned, wherever the farmer is paid on the basis of the price of sugar the duty upon sugar will change the price he receives for beets, and he will get the increased price; there is no doubt about that. That seems to be the policy that is adopted now nearly everywhere except in Montana, and I do not know why it is not adopted there, although, of course, they may have a reason for pursuing a different course.

The amendment which I have offered simply provides, as I have said, 1 cent a pound additional duty on sugar. That is not going to take care of the losses which the sugar manufacturers

have got to meet this year; everybody recognizes that fact; and if we are going to develop the sugar industry of this country, or even if we aim to help that industry retain its present status, those engaged in the production of sugar can not go on losing money, as they will lose money this year, I will say to the Senator. When the time comes that Cuba can drive out the sugar industry in this country so that it is left entirely in the hands of the refiners in the United States, God have mercy upon the American people.

Senators talk about the proposed duty costing the American people \$80,000,000. I ask them to go back to the years before the war and find out what advantages the American people received when beet sugar first came upon the market, and ascertain the effect the beet sugar had upon the price at which Cuban sugar was selling at that time. I can go back to the year 1911 and show that the sugar refiners of the East, handling nothing but Cuban sugar, made enough out of the American people to pay many times over the \$80,000,000 which the Senator complains will be imposed upon the American people if my amendment is adopted; but just as soon as the first beet sugar came upon the market the price began to fall. If this industry is not worth saving to the American people, and we do not want to raise any revenue by a duty on sugar, the best thing to do is to strangle the industry at once; wipe it out, and depend upon foreign countries for the sugar supply. I do not believe the American people want that done.

The Senator from North Carolina [Mr. SIMMONS], and also the Senator from Montana [Mr. WALSH], say that it will cost the American people \$80,000,000. Every single dollar that is raised from the importation of sugar into the United States would have to be raised from some other source if sugar were placed on the free list. The expenses of the Government can be met only through taxation, and no taxes of any kind are imposed on goods, particularly those which we are compelled to import into this country, that the people do not pay. If you do not raise a part of the necessary revenue from sugar, you have got to raise it from some other source. It is all very well to talk about free sugar saving to the American people \$160,000,000, but it will not save it. Whatever is collected goes into the Treasury of the United States. Sugar must be imported; the people demand it; and if it were free, and there were nothing going into the Treasury of the United States, it would have to be raised from some other source; and from whatever source it might be raised, I say to the Senator now, it would have to be paid by the consumer in the end.

I do not think it is necessary to say anything more about this amendment. My amendment provides for a greatly reduced rate on sugar from that which was reported by the committee; and last evening I explained it, and told the Senate why it was proposed. There is no necessity of repeating it.

Mr. HARRISON. Mr. President, I had hoped that the Senator from Utah would answer some of the arguments of the distinguished Senator from Montana [Mr. WALSH]. The Senator from Montana, in a very able and clear speech, although his section might be said to be interested, told the Senate why he could not support this bill and lay this enormous tax upon the backs of the American people, the consumers of the land. He told how much they would have to pay on fresh and frozen meats, on cattle and live stock, on sugar, on wheat, and the various other things. I had hoped that the distinguished Senator from Utah, who has occupied very little of the time that has been consumed in the discussion of this bill, would give some reasons for this outrageous action of his party in this matter.

Mr. SMOOT. Mr. President, I will say to the Senator that I have not taken very much time on account of the filibuster that has been going on.

Mr. HARRISON. The filibuster that has been going on?

Mr. SMOOT. I want to say to the Senator that if I had answered in detail it would have taken quite a while; but the Senator will remember that the Senator from Montana said that there was 25,000,000,000 pounds of frozen beef consumed in the United States, and that 2 cents a pound upon that meant \$500,000,000, and that it was going to cost the people of the United States that much. Then, on the other hand, he immediately said that if this duty of 2 cents a pound was put on, the raiser of the meat would never get a cent of it. Now, it can not be true both ways.

Mr. HARRISON. Why, the Senator from Montana showed that this tariff on fresh and frozen meats would benefit the five great packers that the Senator from Utah recently defended in part, at least, upon the floor of the Senate when legislation affecting them was attempted to be passed in this body. The Senator from Montana said that the five big packers controlled about 75 per cent of the fresh and frozen meats in this country, and

the Senator from Utah took issue with him; and yet the Senator knows that the Federal Trade Commission in its report, after a full investigation, said that they controlled 73 or 83 per cent of the fresh and frozen meats.

Mr. SMOOT. Yes; and the Senator from Utah took an hour and a half the other day in the Senate to show that some of the other reports that were made by the Federal Trade Commission were absolutely wrong.

Mr. HARRISON. Oh, yes.

Mr. SMOOT. And I say to the Senator now that the reports of the Federal Trade Commission can not be relied upon.

Mr. HARRISON. Yes; the Senator from Mississippi knows the opposition of the Senator from Utah to the Federal Trade Commission.

Mr. SMOOT. Of course, if the Senator from Mississippi has been designated to occupy the balance of the day, I do not care about interrupting him now.

Mr. HARRISON. I am delighted to have the Senator interrupt me. Perhaps we can get some information about this proposition, and some reasons why certain taxes are placed upon certain articles here.

Here is what the report of the Federal Trade Commission says about frozen beef. It says that the five big packers have 62,535,507 pounds, and that 95 per cent of all the fresh and frozen beef in the United States is controlled by the five big packers. I shall not take up the time of the Senate to read further from that report.

The Senator says there is a filibuster. There is no filibuster here. We want a vote on this bill. We want to see how many Senators on the other side of the Chamber are willing to tax the American people and increase the cost of living after their promise, only three months ago, that they were going to reduce the high cost of living.

Mr. SMOOT. It has been reduced.

Mr. HARRISON. Yes; it has been reduced. I want to read from this book that the Senator has seen, with the pictures of two very distinguished persons upon the outside—the Republican Campaign Textbook for 1920.

Mr. SMOOT. For the tenth time.

Mr. HARRISON. No; this is the first time. The Senator sees, even in his dreams, the campaign pamphlet that was distributed through the country in the recent campaign, when in large letters they said: "Why 25-cent sugar?"

Mr. SMOOT. It is 8 cents to-day.

Mr. HARRISON. "Why 25-cent sugar?" and how you were going to reduce it. That is the pamphlet that the Senator from Utah has in mind—the pamphlet that he called for from the Republican national campaign headquarters and said, "Give me a reprint; give me more of these; let us show to the people that we are going to reduce the price of sugar to the consumers of the country," and now you propose to increase it.

Mr. SMOOT. It is 8 cents a pound to-day.

Mr. HARRISON. Yes. The Senator did not like the way that the Sugar Equalization Board functioned during the war, and yet they held sugar down to the consumers of the country and saw that the Army got a sufficient amount of it, and they turned into the Treasury thirty-odd millions of dollars, and as soon as they were forced to relinquish control the price began to soar.

Mr. SMOOT. The Senator is mistaken when he says that the Senator from Utah objected to the Sugar Equalization Board.

Mr. HARRISON. Oh, the Senator has criticized it; and when the McNary bill was up for discussion the Senator from Utah spoke against it time after time, and finally we had to compromise on an amendment that the Senator proposed in order to get it through.

Mr. SMOOT. And the Senator from Utah was following out exactly the recommendations made by that board, and Mr. Zabriskie's own statement, as the Senator knows, was exactly in accord with the position the Senator from Utah took.

Mr. HARRISON. Yes; and they were wrong all the way through.

Mr. SMOOT. Oh, certainly. If anybody does not agree with the Senator from Mississippi, he is wrong.

Mr. HARRISON. The Senator knew that sugar was continuing to go higher all the time, and that unless we extended by law the life of the Sugar Equalization Board and allowed them to handle the proposition it would go still higher.

Mr. SMOOT. The Senator from Mississippi was just criticizing the Senator from Utah for criticizing, as he thought, the Sugar Equalizing Board. Then when I call his attention to the truth of the situation he turns around and criticizes the same board.

Mr. HARRISON. Why, the Senator knows that there was a division in the Sugar Equalization Board touching that matter.

Mr. SMOOT. One man.

Mr. HARRISON. Dr. Taussig took one position about it.

Mr. SMOOT. That is all.

Mr. HARRISON. The President of the United States took a position with him, and the Senate Committee on Agriculture and Forestry took a position with him, and afterwards the Congress of the United States took his position on the proposition and extended the life of the Sugar Equalization Board.

Mr. SMOOT. The Senator knows that the President of the United States was not a member of the Sugar Equalization Board.

Mr. HARRISON. Why, of course, he was not, but he made his recommendation.

Mr. SMOOT. The Senator knows that the Committee on Agriculture and Forestry had nothing to do with the equalization board; the Senator knows that Congress had nothing to do with it, but that every member of that board except Dr. Taussig was in favor of the position taken by Mr. Zabriskie, and I took the very position that they did.

Mr. HARRISON. It was an incorrect position.

Mr. SMOOT. So the Senator says.

Mr. HARRISON. And the Congress afterwards said it was an incorrect position; the Senate Committee on Agriculture and Forestry said it was; the Attorney General said it was; the President of the United States said it was; and the facts that have arisen since then have demonstrated that the Senator was wrong in his position—

Mr. SMOOT. No.

Mr. HARRISON. Because as soon as the Sugar Equalization Board ceased to function sugar went up, and then the Senator's party got out their pamphlet and said, "Why 25-cent sugar?" and now that it is going down they want to increase the price again.

Mr. SMOOT. Mr. President, the Sugar Equalization Board wanted to purchase the Cuban crop of sugar.

Mr. HARRISON. Why, of course, they did.

Mr. SMOOT. And the President of the United States would not allow them to do it.

Mr. HARRISON. Yes.

Mr. SMOOT. And if they had purchased the Cuban crop of sugar, as the board wanted to do, with the exception of Dr. Taussig—the only member of it who took that position—the price of sugar in this country never would have soared to 25 cents, the matter to which the Senator has referred.

Mr. HARRISON. Why, the Senator knows that the reason why the President did not favor purchasing the Cuban crop of sugar at that time was because the life of the act was to expire at a certain time, and he asked that Congress extend the act so that the Sugar Equalization Board could continue and not die with the act as it was written; and the Congress afterwards extended the act, as the Senator knows. Some of us wanted it extended for a year, but we had to compromise on about six months, I think.

Mr. SMOOT. Why, Mr. President, at the time that they asked for an extension, after the President had refused to buy the sugar or allow the Sugar Equalization Board to buy it or contract for it, that board had months and months of life ahead of it.

Mr. HARRISON. How many months of life ahead of it?

Mr. SMOOT. I think it was eight months, as I remember.

Mr. HARRISON. It was a very short time.

Mr. SMOOT. No; it was not a short time. It was plenty of time to buy all the Cuban crop of sugar, and there was plenty of time to distribute that sugar, too. There is not any doubt about that; but that was an afterthought, after they had known that there was a mistake made that cost the American people hundreds and hundreds of millions of dollars.

Mr. HARRISON. I am glad to hear the Senator's position. I am glad to hear him try to excuse himself.

This campaign textbook, as the Senator from Utah and other Senators on the other side expressed themselves in the campaign, says much about a revision of taxes and a reduction of the high cost of living. I want to read just a few passages, so that the Record will show just how the Senator and his party are carrying out their promises to the American people.

I notice that on page 330 of this remarkable document, under "Tax revision," it says:

Plan and fashion as we will, the country is in for a prolonged period of heavy taxation.

That is one truth they told.

Facing this prospect, every effort should be made to use those particular taxes which will do least harm to the economic and social life of the Nation and at the same time realize the largest measure of

justice as to incidence and distribution. Such policies are certain to contribute to the corrective forces making for a reduction of living costs.

So says this remarkable document.

Now, the Senator from Utah, in his explanation a few moments ago, said that if we did not put this tax on sugar we would have to raise the money in some other way. Doubtless that is true; we will have to raise it in some other way; but there is a difference between the views of the Senator from Utah and some of us on this side of the aisle, perhaps not all of us, certainly a difference between the Senator's party and our party, as to the means to be employed to raise these taxes. He would levy this tax, whether it is \$80,000,000 or \$160,000,000—and that is the difference that was debated for some time between the Senator from Montana and the Senator from Utah—but, to take the Senator's figures of \$80,000,000, he would raise that amount by taxing the people of this country, rich and poor alike, who need sugar to eat. It is necessary for them to have it for their very existence.

We would not put a heavy tax upon the poor people of the country, who must have sugar in order to live, but would put it, if need be, upon the wealthy of the land or upon those who are more able to bear the burden of taxation.

I go further in this remarkable document and read more of this good stuff, if it could have been believed, in the matter of reduction of the high cost of living:

The influence of rising prices upon such accumulations has been to reduce their economic effectiveness by 50 per cent since 1914. In other words, the savings bank depositor, the beneficiary of insurance policies, the possessor of building and loan association credits, the owner of securities and investments has had taken from him in the past five years in substance one-half of that which he had put aside and supposed himself to possess. To the extent that the dollar may hereafter regain its purchasing power of five years ago, he will recover the loss as to that part of his savings of which he is still the possessor. In so far as it will have been expended in the interim, the injury is irremediable.

This is not a wholesome exhibit. Working and middle-class savings represent denial and sacrifice to secure provision against sickness, accident, and old age, and to assure protection, after the death of the breadwinner, to dependent wife and children. That a large part of what has been earned, often painfully over many years and put aside at great cost in spirit of thrift, foresight, and family devotion, should at the moment when needed be found to have been cut in half, is a cruel miscarriage of economic justice. As one man wrote in answer to our questionnaire, a man who had retired on the savings of 40 years of toil, "The fruit of 20 years of hard work has been wiped out."

Salaries: Little need be said as to the plight of salaried classes, consequent upon the increased cost of living; the fact is one of widespread and intimate experience.

Oh, yes; you were going to help him out; you were going to reduce it. You say:

Even under the relatively favorable conditions that have prevailed in the past five years, the wage earner has been compelled to fight to maintain his foothold, as to a standard of life, in the quicksand of rising living costs.

Yet on your first opportunity after writing that into your campaign textbook you want to press down upon these wage earners higher prices for everything they need.

I go further. You have a big chapter here on the high cost of living, which reads:

To the plain citizen of the United States the term "high cost of living" has a clear and definite meaning. It sums up the hardship and suffering that the American people have borne during the past five years, because of the great rise in the prices of the goods and of the services upon which their income is ordinarily spent. Had wages and incomes increased in like proportion at equal pace and for the same cause as general prices, there would have been no relative increase in living costs.

Then we find in big black letters, on page 153 of this remarkable document, larger type than the other part of the book:

The high cost of living.

And under that among other things, you condemn the Democratic administration for what it did, and you say:

There is no short way out, and we decline to deceive the people with vain promises or quack remedies.

Let me read it again. I am afraid the Senator from Utah did not hear it.

There is no short way out, and we decline to deceive the people with vain promises or quack remedies.

You promised them to reduce the high cost of living, and you said you would not give them any quack remedy, and yet you offer the greatest quack remedy here in the form of this emergency tariff bill that was ever introduced into the American Congress.

Let me go further. Under "Taxation" you have in big black letters:

The burden of taxation imposed upon the American people is staggering—

Says the Republican campaign textbook. Then in the platform, on the subject of the high cost of living, your party said:

The prime cause of the "high cost of living" has been first and foremost a 50 per cent depreciation in the purchasing power of the dollar—

And so forth.

Further, on the question of the high cost of living, we find this:

Much of the injury wrought is irreparable. There is no short way out, and we decline to deceive the people with vain promises or quack remedies.

The Senator from Utah knows this is a quack proposition. His conscience is stricken already even on the sugar item. He saw that the original proposition that was incorporated in the bill and reported out of the Finance Committee was such a great burden on the consuming masses, his conscience was so stricken over that action, that he is trying to set his party right in that one item. But he knows that there are other provisions in this bill more infamous than that, more iniquitous than that, which will carry a hardship to the American people even greater than the sugar proposition, which in its original form would have probably meant a burden of \$300,000,000 on the American people.

As suggested by the Senator from Arizona [Mr. SMITH], if it is not a quack remedy, how about the duty on corn? You know you are trying to deceive the people on corn. Everyone knows there is not as much corn coming into this country as is raised in one county in the State of Illinois. There is only \$2,000 a year estimated as the return in revenue on corn coming in. Yet, though you told the people three months ago in that remarkable document in your platform and in large letters that you "decline to deceive the people with vain promises or quack remedies," on the very first opportunity you give them this quack proposition on corn alone.

I read from a speech of a very distinguished Republican, the man who carried to victory the Republican standard in November. In his speech of acceptance he said certain things, and among them these:

I believe that the tax burdens imposed for the war emergency must be revised to the needs of peace and in the interest of equity in distribution of the burden.

Are you proposing to do that in this bill? Is there any equity in the distribution of the burden, as was suggested by the standard bearer of the Republican Party?

Then, as to the high cost of living, the President elect said:

One can not speak of industry and commerce and the transportation on which they are dependent without an earnest thought of the abnormal cost of living and the problems in its wake. It is easy to inveigh, but that avails nothing.

Then, in reading the great speech in the Chicago convention of the temporary chairman of that convention, the leader of the Republican Party in this body, Senator LODGE, I notice he talked about the high cost of living and suggested certain remedies. Among other things Senator LODGE in this keynote speech at the Republican convention said something that is most interesting:

The rise of prices, the high cost of living which reach daily into every home, is the most pressing as it is the most difficult and most essential problem which confronts us.

He was the spokesman of the Republican Party in your convention, saying that the most important question that was pressing itself upon Congress was the high cost of living. He goes further. He wanted to suggest a remedy in this speech, and he said:

The most potent remedy of all against advances in the high cost of living, however, lies in production, which can not be reached directly by statutes. If production begins to fail and fall off, the cost of everything will be advanced by the simple force of scarcity which inevitably drives prices upward. The most essential remedy for high costs is to keep up and increase production and particularly should every effort be made to advance the productivity of the farms.

Those were words of wisdom that were falling then. He said further:

Just how much the Government can do in this direction is uncertain, but it can aid and support, and if anything can be done it must not be omitted or overlooked.

Do you believe that Senator LODGE, as the spokesman of the Republican Party in that convention, would have had the audacity to suggest that this soon after the election, should they be successful, they would introduce and report favorably from the Finance Committee such a bill as this, imposing a heavy tax upon sugar, and bread, and butter, and milk, and fresh beef, and wool, and all the various things which are enumerated in this bill? The Senator knows they would not have gotten started at the post if he had made any suggestion like that; but all through this remarkable document just the opposite was suggested. You were inveighing against the high cost of living, you were blaming the party in power for

it, although you did not tell the American people that for two years you had controlled the Senate, as well as the House, and that all legislation was under the control of your party. There was but a small percentage of the American people in that campaign who ever thought that the Democratic Party was not still in control of the House and the Senate. But you inveighed against the party then in power for the high cost of living. You were going to reduce it. The spokesman at the convention said so. Your candidate for President said so, and all through this document passages in big black letters gave that impression to the people.

Senator LODGE said further in this remarkable speech:

I have touched upon this matter of prices and the high cost of living because it is altogether the most important domestic question now before the country and one to which the Republican Party should address itself without delay in every direction where help is possible.

Are you doing it? Senators, you are pursuing just the opposite course. You are trying to add to the burden instead of removing the burden from the consuming masses.

If the Senator from Utah, whose conscience has been so stricken that he has reduced the tax that his party would place upon the people of some \$300,000,000 on sugar alone and which his party in this Chamber recommended should be passed, has been moved to reduce it from 2 cents and a fraction down to 1 cent additional tax per pound, why does he not reduce some of the other outrageous proposals in the bill? If he thought a 2-cent increase on sugar was too much, why does he not think that an increase of 30 cents a pound on wool in some instances is too much? What reasoning did the Senator follow, if he believed 2 cents on sugar is too much and if his conscience would not permit him to vote for a bill carrying that and prompted him to reduce it to 1 cent, that he does not try to reduce the tax on wool, which is proposed, of 30 cents a pound increase in some instances and on some kinds far more than that?

Mr. SMOOT. Why does not the Senator ask the Senator from Montana [Mr. WALSH] that question?

Mr. HARRISON. No; the Senator from Montana is on the minority side on this question. The Senator from Utah has great influence in this body, has commanding influence; his word is almost law in this body, certainly in the Finance Committee of the Senate, so I know of no man here to whom the question should be more properly directed than the Senator from Utah. I ask again the Senator from Utah, although he tells me to ask the Senator from Montana.

Mr. SMOOT. I wish to say to the Senator that there is quite a difference, and I could give an explanation of it, but I do not desire to interrupt the wonderful speech being made by the Senator from Mississippi.

Mr. HARRISON. I am glad to have the Senator interrupt me.

Mr. SMOOT. However, really, I thank him for his complimentary remarks, which I do not deserve.

Mr. HARRISON. Yes; the Senator does deserve them. If the Senator's conscience hurt him with reference to the sugar item, let us see about some others, and why it is that his conscience is so seared against them. On wheat, the Senator's conscience will stand for an increase from nothing, in most instances, to 40 cents a bushel, and yet he says that his conscience would not stand for the outrageous proposal of the Senate Finance Committee with reference to sugar, and so he is going to reduce that item. I asked him the same question as to corn. That is raised from 3 cents, the rate under the Underwood bill, to 15 cents a bushel in the pending bill; on beans the rate is increased from nothing to \$1.20 a bushel; on peanuts, from three-eighths of a cent to 3 cents a pound; on potatoes, from nothing to 25 cents a bushel; on fresh and frozen beef, veal, mutton, lamb, and pork, from nothing to 2 cents a pound. Why not reduce that last item to 1 cent, as the Senator's conscience moves him to do in the sugar proposition?

On wool the rate is raised from 8 to 15 and 30 cents a pound, and on scoured wool to 45 cents a pound. Does not the Senator think that is pretty high? How does the Senator explain that his conscience would not permit him to stand for the recommendation of the Finance Committee with reference to sugar, that would increase the present rate to 2 cents a pound, and at the same time his conscience will permit him to stand an increase of 45 cents on scoured wool?

Butter is increased from 2½ cents to 8 cents a pound, an increase of practically 6 cents a pound. Cheese has been increased. Of course, the old rate was an ad valorem rate, but that has been increased to 5 cents a pound. Milk the Senator proposes to increase 2 cents a gallon and cream 5 cents a gallon. Thus I could go on down the list and mention hides and various other things. I do not understand the force of the Senator's reasoning when he says that his conscience will not stand for the high rate on sugar proposed by the Finance Committee, which is about 2 cents a pound, but will stand for all the other

infamous, indefensible, inexcusable, and iniquitous propositions that are carried in the bill.

Mr. SMITH of Arizona. If the Senator will permit me, I should like to ask how the cost of living is to be reduced by a 30 per cent ad valorem duty on the importation of cattle into New Mexico, for instance? The 30 per cent which I understand is provided for in the bill, it will be seen, would mean an increase on every steer that was to be killed. The effect it would have, if it was done as an emergency measure, would be to raise the price of local live stock and to prevent the importation of any other. We are still met by the argument that the cost of living is being increased by both processes.

Mr. HARRISON. That is true, but the bill has for its purpose, as some one has said, the increasing of the burden to the American people. I think it is very correctly characterized. In a very short while we shall have an opportunity to vote upon the proposition.

There have been a number of amendments offered to the bill. I was just scanning through some offered by Senators on this side and some by Senators on the other side of the aisle. I notice that the Senator from Washington [Mr. JONES] desires a 20 per cent increase over the present rates on canned salmon. He does not propose that merely the farmers be taken care of. He wants to get the fishermen taken care of also by putting a tariff on canned salmon. Anything that the American people must eat, anything that they need in order to live, it is proposed to increase in cost to them. Then he mentions herrings and finally gets down to cherries and apples. The same Senator from Washington saw that the Senate Finance Committee had omitted eggs and poultry from the proposition. I do not know why they were omitted. They included about everything else that the people need—frozen beef, milk, butter, cheese, sugar, wheat, flour, and all those things. But the Senator from Washington saw that they had omitted eggs, and so he said, "Let us put a tax of 12 cents a dozen on eggs." Why, Mr. President, eggs for weeks and weeks have cost over \$1 a dozen. I do not know what they are costing now. Whatever they are, it takes a millionaire to buy them, but they have been away up in price all the time. I notice that before the Ways and Means Committee some one has proposed a tax on eggs in order to try to protect the hens of the United States against the hens of China and Japan. Here we shall have an opportunity to vote on the amendment offered by the Senator from Washington.

If the policy of the Republican side of the Chamber is to be carried out, we will have the amendment incorporated in the bill to put a tax of 12 cents a dozen on eggs. On frozen eggs the Senator wants a tax of 20 cents a dozen and on dressed poultry a tax of 15 cents a pound. How is the Senator from Utah going to get out of that proposition? That is no more infamous than the other provisions carried in the so-called emergency tariff bill.

I notice another amendment offered by the Senator from New Hampshire [Mr. MOSES]. He is not satisfied with the treatment of his people in this proposition, and so he says that needles for knitting or sewing machines shall be taxed \$1 a thousand and 25 per cent ad valorem; latch needles—I do not know what those are—\$1.15 per thousand and 35 per cent ad valorem. Even the poor old woman who has to buy sugar and flour, and milk and butter, and some clothing, wool or cotton, it does not make any difference which, must pay a tax on all those things, and now the Senator from New Hampshire wants us to place a tax on the needles that she buys.

The Senator from Massachusetts [Mr. LODGE], the leader on the Republican side of the Senate, is not satisfied with the bill, and so there must be something included to get him to support it. It is a regular logrolling venture, as was suggested by the Senator from Montana [Mr. WALSH]. We need these votes to pass it, and so we will bargain with you, we will give you a sugar tariff in order to get your vote, we will give you a tariff on your live stock and your frozen meats, but you have to vote with us to put through the bill. If you have some cherries or apples we will give you a tax on them, but you have to stand with us on the final passage of the bill.

Then they come down to us in the South, and they say, "Here is where we catch some of the Senators from the South," Senators who have always inveighed against a protective tariff, who have abused the Republican Party since their entrance into the political arena for the high-protection principle for which the Republican Party stands. So when they get down South they say, "They raise a lot of cotton in the South and we will put a tariff on that." I doubt not that this scheme originated in the fertile brain of the Senator from Utah, because he is adroit, he is smart, he is able, and he knows the tactics to employ to put through the Senate a bill that has as much infamy as is contained in the pages of this bill.

Mr. SMOOT. Mr. President, I can not stand for all this flattery and these complimentary statements, because they are not true, they are not correct. I desire to say to the Senator from Mississippi that the first motion that was made in the Finance Committee was made by the Senator from Utah, and that motion was that we report the bill just as it came from the House and that we oppose all amendments in the committee and on the floor of the Senate. So the laudations which the Senator from Mississippi is heaping upon the Senator from Utah are not justified.

Mr. THOMAS. Mr. President, as a member of the committee I can testify to the accuracy of the Senator's statement.

Mr. McKELLAR. I think it needs some limitations and some reservations, because I am quite sure the Senator from Utah has very vigorously espoused the cause of the sugar tax, and that is an amendment.

Mr. THOMAS. It is an amendment to an amendment.

Mr. McKELLAR. It is an amendment to an amendment; but I say there are reservations to be made to that statement. The Senator from Utah has espoused just as vigorously as almost anyone else the tax on sugar. It is not quite as large as the tax placed in the bill by the committee over his protest, as I understand, but, nevertheless, it is an amendment of the bill as passed by the House. The bill as passed by the House contained no tax on sugar.

Mr. SMOOT. I wish to say to the Senator that after the amendments were agreed to and after it became clear that we were going to change it, of course I knew that it would have to go back to the House, because it changes the position of the House entirely. Then it became a question for me to use my own judgment, and that is what I did.

Mr. McKELLAR. I said there should be some reservations.

Mr. SMOOT. I really did not know what the Senator had in mind when he made that statement. I am glad to hear him state what he had in mind.

Mr. HARRISON. That bears out exactly what I had in mind. I said the Senator was able, that he was adroit, that he knows how to put legislation through the Senate. He would never have shown his fine Italian hand in the Senate on this proposition. He knew the best way to secure a tariff on wool, with this joker in the bill, was to pass it in the exact form in which it came from the House, though he would not have been the one on that committee to have suggested the tax on sugar, the tax on frozen beef that protects the five big packers of the country who control 80 per cent of the frozen and fresh beef in the country. No; but there are other members on the committee and the Senator dominates some of them. You can not blame them. A Senator who occupies a position on the great Appropriations Committee and on the Finance Committee wields an influence here that is exalted, that is powerful. So there might have been a member of that committee seeking favor with the Senator from Utah who allowed himself to be seduced, so to speak, when the amendment was offered. The Senator may have said, "Well, I will vote for it; there are enough votes to pass it, anyway"; and the amendment was reported out.

The logrolling process continues, and when the measure comes upon the floor of the Senate here an appeal is made to the live-stock men, and so there is a tax placed on cattle and other live stock and on frozen meats. An appeal is made to the Senators from Louisiana, and so we have a duty on sugar. Then an appeal is made to some Senators who come from Democratic States, Senators who, as I have said, have always heretofore inveighed against the Republican doctrine of protection and said that it robbed the many in order to benefit the few, and those Senators change front because they think they can go back to their people and hand them this "gold brick" in the shape of a duty on cotton.

So when I was so fulsome in my laudation and praise of the Senator from Utah, when I said that he, perhaps, conceived the idea of putting a tax on cotton in order to have some of the southern Senators fall into line, I was paying him a very just tribute. The thing at which I am surprised is that the Senator's party has not heretofore attempted to put a tariff on cotton in order to try to hoodwink the cotton farmers of the South. I do not think he would have obtained the vote of any Senator over on this side by that policy, though it is the old policy which has often been pursued.

That is the policy that is pursued, if I recall correctly, by a she bear who with her young is being pursued. She will drop one cub in order to divert the attention of her pursuers. Some of us on this side who come from cotton-growing sections, however, are not going to be diverted by having thrown at us a tariff on cotton. We are going to pursue this iniquitous bill to

the end, and we are going to crush it if we can get any support on the other side.

Mr. SMOOT. I have to smile at the earnestness of the Senator from Mississippi.

Mr. HARRISON. I am very earnest.

Mr. SMOOT. I desire to say, however, that the House of Representatives put the 7 cents a pound duty on cotton. It seems to me that the Senator from Mississippi ought to ask the two Democratic Senators from Arizona why they desire the 7 cents a pound on cotton which was imposed by the House and which was in this bill as it came from that body increased to 30 cents a pound. That would be the proper source to go to in order to trace the iniquity at least of one of the proposed amendments to the bill.

Mr. HARRISON. I know that the Senators from Arizona, so far as this bill is concerned, have had no influence in putting on an amendment. The influence must come from the Senator from Utah or from some one who is in this conspiracy with him. The Senator from Utah says the provision relating to cotton was initiated in the other House. However, the influence of the Senator from Utah does not stop on this side of the Capitol. A Senator who serves as a conferee upon the great appropriation and revenue bills, who is the leader in his State and in the Nation of what is called a great political party, has some influence on the other side of the Capitol.

Now, I want to go further with some of the amendments, for I have been diverted. I see that the leader on the other side of the aisle offered an amendment to the bill, and here is his amendment. That amendment has got to be accepted, perhaps, or he has got to be satisfied in some way in order to get his vote for the bill, because I can not for the life of me understand how the Senators from New Hampshire, or the Senators from Vermont, or the Senators from New York, or the Senators from Massachusetts, or from Rhode Island, or from Connecticut, or from Pennsylvania, or from any States in that section of the country can afford to vote for a bill which will bring reprisals and retaliation on us by other nations in their dealings with us; that will embarrass and handicap us in our whole foreign trade; that will restrict the great manufacturers of the East who have found markets abroad from selling their products there. I can not understand how those Senators—and I include in that list the Senator from Michigan [Mr. TOWNSEND], who represents the great industrial city of Detroit and other industrial cities such as Grand Rapids, Lansing, and Jackson, where men have been thrown out of employment because the automobile industry is going a little slowly at this time; where bread lines, if the newspapers quote the situation correctly, have been formed; where men are walking the streets by the thousands waiting to be taken back into the factories of that State—I can not understand how a Senator from the State of Michigan can vote for this bill that will lay the heavy hand of taxation on all the necessities which those men need in order to live.

I should very much dislike to have the task on my hands of explaining my vote for this bill to the people who reside in the great industrial centers of Pennsylvania, New York, and throughout the East, including Massachusetts, from which comes the leader of the Republican Party in this Chamber.

However, the Senator from Massachusetts [Mr. LODGE], the leader of the Republicans of the Senate, offered this amendment:

Upon hides—

I notice the Senator from Utah has gone from the Chamber, and I am sorry—

Upon hides of the kind provided for in paragraph 26, when advanced in any manner or by any process of manufacture, and manufactures of which hides or any kind provided for in paragraph 26 are a component material, the rate of duty imposed shall be 10 per cent ad valorem.

The Senator from Massachusetts knows that when a high tariff is placed upon the raw material there must be placed a compensatory duty upon the finished product. So he is trying to have incorporated in this bill a provision in consequence of which he may say to the manufacturers of his State "I helped you, too"; but he will also have to answer to the consumers there for his action; he will have to answer to the wage earners, the bread liners, and tell them why he sought to impose a heavy tax on the necessities of life, and at the same time wanted to impose a heavier tax on the clothes which they must wear. The object of the Senator from Massachusetts is not to stop at the breakfast table, but to lay an additional burden on the clothes which men must wear. So he offers an amendment proposing an outrageous tax of 10 per cent ad valorem on down the line on the manufactures of hides and skins; in other words, a suit of clothes worn by the average man will necessarily be greatly enhanced in price. I do not know how much

it will figure out because when you put the duty on noils and tops and scoured wool, up and down the line, pyramiding it, so to speak, the poor devil who has to work for a small wage can not afford to buy a suit of clothes.

We have waited patiently for months and for years for the price of clothing to drop; some of us have been forced to wear our old clothes in the hope that the time would come when a reduction in the price of clothing would be advertised and enable us to buy new clothes; but at the first ray of hope, when prices are just beginning to decline a little, we find that the party in control, notwithstanding the promises they made three months ago to the American people to reduce the cost of living, to reduce the prices of the necessities of life, now offer them a stone by increasing the cost of living and the burdens that they must bear.

Let us see what other amendments are offered to this bill.

The Senator from Washington [Mr. JONES] has offered another amendment proposing a duty on lime. His amendment is as follows:

LIMESTONE AND LIME PRODUCTS.

Lime in cooperage, 50 cents per hundred pounds, gross weight; lime in bulk, 30 cents per hundred pounds; hydrated lime, 40 cents per hundred pounds, gross weight; limestone, broken or crushed, in bulk, 15 cents per hundred pounds; ground limestone, in bags, 7½ cents per hundred pounds; ground limestone, in bulk, 5 cents per hundred pounds.

He not only wants to take care of the farmers and the cherry raisers of his State, and the fishermen who catch salmon and herring—

Mr. KING. And suckers.

Mr. HARRISON. And suckers, as suggested by the Senator from Utah, but he wants to put a duty on lime and limestone. So I find another Republican Senator is not satisfied with this bill, and in order to get his vote I imagine those seeking the passage of this bill will have to allow some amendment offered by him to go in the bill.

The distinguished Senator from Missouri [Mr. SPENCER] has offered an amendment to the bill. He wants to take something back to certain people in his State; he wants to say that he, too, has influence in this body. Do you know what he proposes? He proposes a duty of 2 cents a pound on sunflower seed. [Laughter.] It is easy to get him right; all you have to do, I will say to the Senator from North Dakota, in this instance is to adopt his amendment to put a tax on sunflower seed and sunflower oil, for he wants that protected also. Give him the duty on the sunflower seed, anyhow, if you can not give him the duty on oil.

Mr. McCUMBER. Mr. President, I am sorry if we have left out anything that the Senator from Mississippi wanted.

Mr. HARRISON. No; I did not offer the amendment, I will say to the Senator from North Dakota. I am against it. I am against the whole nefarious scheme. But a Senator on the other side of the aisle, the Senator from Missouri, evidently is not satisfied with the bill and wants to add a tax on sunflower seed.

There are some other amendments here. Some Democrats have offered some. I will not speak of those. I want to compliment and congratulate one Senator on the other side who has offered an amendment, and I am for his amendment. I am going to vote with him for it. I refer to the senior Senator from Idaho [Mr. BORAH]. He offers an amendment to strike out of this bill the tax that you propose to levy on "milk, preserved or condensed, or sterilized by heating or other processes," and so forth. And this is the only amendment offered by a Senator on the other side of the aisle that does not tend to increase the cost of living.

The idea! The idea of levying this increased tax on those who need milk! You want to starve even the little babies of the country that must necessarily have milk. It is bad enough, Senators, to increase the cost of clothing, whether it is cotton or wool; it is bad enough to increase the price of shoes, as you will do in this bill; it is bad enough to increase the price of sugar to the 105,000,000 people in America; it is bad enough to increase the price of flour, if the contention of the Senator from North Dakota be correct; but when you put a tax on milk that the little children of this country must have it is going quite too far. So I am with the Senator from Idaho in striking from this bill this infamous provision that would prevent the babies of this country from getting milk, if it is adopted.

Here is a pretty sensible amendment from your viewpoint. There is wisdom in this proposition. There is good horse sense in it. This is an amendment that is offered by the Senator from New Hampshire [Mr. MOSES], in which he says:

Strike out all of the bill after line 4 on page 1 and insert the following.

In other words, he would strike out the provisions of this bill, and, so far as those provisions are concerned, he would substitute the tax as levied in the Payne-Aldrich tariff bill. Now, that is the last bill prior to the present law that received real consideration by Congress. That bill was debated in the House for months. It was considered in the Committee on Ways and Means for months. It came here, and the Finance Committee of the Senate considered it for months. Then the Senate, after discussion for weeks and months, passed it. Of course, it was iniquitous; it was indefensible; it carried your party to defeat; and yet it was not one-third as outrageous, as indefensible, as inexcusable as the bill now being discussed in this body.

Mr. MOSES. Mr. President—

The PRESIDING OFFICER (Mr. TRAMMELL in the chair). Does the Senator from Mississippi yield to the Senator from New Hampshire?

Mr. HARRISON. Yes; I yield.

Mr. MOSES. If the Senator will permit me, I will interrupt him only long enough to thank him for this 33½ per cent compliment which he pays me.

Mr. HARRISON. It is due to the Senator. Of course, we think the provisions of the Underwood-Simmons tariff law are correct, just, fair, and wise. We think it is the best tariff law that was ever written upon the statute books. We did it because the American people commanded us to do it. We promised them something, and we gave them that which we promised.

Mr. MOSES. Oh, no, Mr. President.

Mr. HARRISON. I am glad the Senator differs with me.

Mr. MOSES. The people cried for bread, and the Democratic Congress gave them a stone.

Mr. HARRISON. We promised them something; we were commissioned to give them that, and we did, in the form of the Underwood-Simmons tariff law. But, while I commend the Senator from New Hampshire for offering the Payne-Aldrich law as a substitute for the provisions of this bill, because it was, as I say, considered at length, deliberated upon for days, and based upon some knowledge, the American people condemned it, President Taft condemned it, and in the election, when the verdict was left to the people as to whether or not they should approve it, they disapproved it, and we gave them that which they were promised. So if you really want to do something on the other side of the aisle that is bad, but not to such a degree as you propose to do by the emergency tariff bill, you should vote for the amendment that is offered by the Senator from New Hampshire [Mr. Moses].

I think the Senator from Utah [Mr. SMOOT] was one of the Senators who had more to do with writing the Payne-Aldrich tariff law, perhaps, than anyone else. He defended it upon the floor of the Senate. Other Senators over there who are still in the Senate condemned it. I think I can almost hear ringing out now the eloquence of the distinguished Senator from Iowa, Mr. Dolliver, inveighing against Schedule K, pointing out the dangers that lurked within it and the infamy of it. The same position was taken by the other Senator from Iowa [Mr. CUMMINS], the Senator from Wisconsin [Mr. LA FOLLETTE], and other Senators on the other side of the aisle. But, over their protest, the Senator from Utah and the late Senator from Rhode Island, Mr. Aldrich, with those who thought as they did, passed the bill, and then the voice of the people rang out and condemned it; and yet, with all that condemnation, still remembered by the American people, you propose in this bill to make the rate on wool higher than was ever thought of being incorporated in the Payne-Aldrich tariff law!

There are other amendments that are proposed. I come now to the amendment of the Senator from Utah [Mr. SMOOT] on sugar. The leader on the other side is not satisfied with your bill. You have got to do something to get him in line. I have suggested, while the Senator was absent from the Chamber, some of the amendments suggested by the Senator from Massachusetts [Mr. LONG], but here is one:

In paragraph 18, page 4, line 5, after the words "per pound," insert the following:

Provided, That skirted wools as imported in 1890 and prior thereto are hereby exempted.

Now, may I ask the Senator from Utah whether he is in favor of that amendment?

Mr. SMOOT. I think the amendment will be modified before it is offered.

Mr. HARRISON. Modified in what respect?

Mr. SMOOT. I do not want to speak for the Senator from Massachusetts. I really do not know.

Mr. HARRISON. I am just wondering if that amendment meets the Senator's approval.

Mr. SMOOT. No; and after a full explanation of it I do not think the changes necessary will be opposed by the Senator from Massachusetts.

Mr. HARRISON. What is the object of that amendment, may I ask? I attacked this provision some days ago—some weeks ago, in fact—and there has been no explanation made of the provision on wool in this emergency tariff bill, and I am wondering why that amendment should be adopted. I have my ideas about it, and I am going to give them to the Senate presently; but I am wondering now why the Senator approves of that amendment.

Mr. SMOOT. I have just told the Senator that I did not approve of it in the shape that it appears there.

Mr. HARRISON. Does the idea as expressed there meet the approval of the Senator?

Mr. SMOOT. No; not in the shape that it is at present, because with the idea expressed there I am not in favor of the amendment.

Mr. HARRISON. I am in favor of it. The Senator will not give me an explanation. I am going to tell him why I am in favor of it. I think somebody has put a joker in the wool provision in this bill.

Mr. SMOOT. There is no joker.

Mr. HARRISON. The Senator says there is no joker. Let us see. Wool to-day in the Underwood bill is free. In the Payne-Aldrich law I believe the duty was 12 cents on unwashed, washed, and scoured wool, and so forth. Now—

Wool commonly known as clothing wool, including hair of the camel, angora goat, and alpaca, but not such wools as are commonly known as carpet wools: Unwashed, 15 cents per pound—

Higher than ever proposed before. Now, if the Senator disputes that statement, if he can recall where it was ever proposed before to put so high a tariff on unwashed wool—

Mr. SMOOT. No; the Senator has not denied that—

Mr. HARRISON. I know he has not.

Mr. SMOOT. But I want to say to the Senator that this is a temporary measure, and it is not going into permanent law; and I said to the Senator the other day when this question was up that I would not vote for a duty of 15 cents a pound on wool in a regular tariff measure.

This, however, is a temporary measure, as the Senator knows; and the Senator also knows that over half of the woolgrowers of this country now are absolutely ruined. I do not know whether you can save the other half or not; and if you destroy the industry here, it is gone for 25 years.

As I said to the Senator the other day, if this bill becomes a law it will be too late to save half of them, but it will perhaps help, or we thought it would help temporarily, the other half. The Senator from Montana told the Senator from Mississippi just a little while ago what a horrible condition they were in, and I say that the Senator from Mississippi knows that they are in that condition, too. I do not think he denies it.

Mr. HARRISON. Why, of course I know it. I sympathize with them very, very much. They are in the same condition that the cotton farmers of my section are in.

Mr. SMOOT. No; they are in quite a different condition.

Mr. HARRISON. I do not think they could be in any worse condition. I know there is a bad condition there.

Mr. SMOOT. Yes; they can be in a worse condition, and I want to tell the Senator why. The cotton planter of the South at least will have his land when he is through with this year.

Mr. HARRISON. I do not know whether he will or not.

Mr. SMOOT. It will not be destroyed.

Mr. HARRISON. A lot of it is being sold right now at trustees' sale.

Mr. SMOOT. In any event, it goes to somebody else to raise cotton, and that can not be done with the sheepman. If his sheep are sold, they go to the slaughterhouse, and it will take another quarter of a century to get the business started again in this country.

That is why I said what I did to the Senator the other day, that in an ordinary tariff measure, enacted for the purpose of covering a number of years and providing a permanent tariff rate, I would not vote for those duties.

Mr. HARRISON. I am glad the Senator would not. But if you ever get this rate established by the passage of this legislation, and you start to write your new tariff bill, which will be in the course of a couple of months—they are writing it now in the House—does the Senator think he can make the woolgrowers out in Utah, or anywhere else, believe that within less than two or three months you must reduce a tariff, which, in your best judgment, was proper three months before that? If you ever get this rate in this bill, you will never be able to reduce it in any permanent legislation that is passed by the incoming Congress.

Mr. SMOOT. The Senator is mistaken about that.

Mr. HARRISON. That is my opinion.

Mr. SMOOT. I am not denying that, but I say the Senator is mistaken. The wool people expected this bill to be passed

long before now, and it ought to have been, to have really brought the full measure of assistance they required, and even then, as I have said, it would not have done it. But it ought to have been done. I will say to the Senator now that the next tariff bill will not carry these rates.

Mr. HARRISON. How much does the Senator think the next tariff bill ought to carry?

Mr. SMOOT. I am not going to undertake to say what the House will do.

Mr. HARRISON. I am asking the Senator what he is in favor of.

Mr. SMOOT. That will all depend upon the circumstances at that time.

Mr. HARRISON. So that if the conditions are the same three months from now, when that bill gets here, as they are now, the Senator might be in favor of reducing it 1 cent a pound?

Mr. SMOOT. I am not saying what I would be in favor of doing. When the time comes I will decide that.

Mr. KING. Mr. President, I do not think the position of the Democratic Party with respect to the tariff is that protection shall be accorded to the manufacturer and denied to the producer of raw materials. If you impose a tariff upon the products of wool—that is, the woolen manufactures—and can derive a revenue from wool itself, there ought to be a tariff laid upon wool. I believe that a reasonable tariff upon wool would be a fair and a legitimate exercise of the taxing power of the Government and would yield considerable revenue. The greatest tariff bill that was ever written—unless it was the one that my friend, the Senator from Alabama [Mr. UNDERWOOD] wrote—was the Walker tariff bill, and the basis of that bill was that in laying duties there should be no discrimination against section or against class or against products, raw or manufactured. A proper application of that fundamental democratic principle is that in the imposition of a tariff you shall not accord all of the benefits to the manufactured product and deny them to the raw material.

Mr. HARRISON. The Senator's statement is right in line with the argument against passing a piecemeal measure like this, that the whole tariff question should be considered as a whole, and not as to certain classes or as to certain sections, as the case might be.

What we were discussing was a defense of the high rate imposed on wool at this time, higher than ever before, and the Senator from Utah [Mr. SMOOT] admits that it is higher than he has ever heard proposed on wool before—15 cents a pound on unwashed wool, 30 cents a pound on washed wool, and 45 cents a pound on scoured wool.

The Senator excuses that by saying that this is a temporary measure. The Senator knows, as a practical proposition, that when you get a rate established that is defended upon the theory of protection, it is hard to reduce that rate, and I make the prophecy now that whatever rate is established in this emergency tariff bill there will come from every section of this country, from those people who are interested in the various items you propose to protect, a protest against reducing the tariff you propose to place in this bill. You will have to meet the same proposition then, whether it is two months from now, three months from now, or six months from now, in answering your constituents, that you must meet now.

It is said there is a demand for this legislation, that it is needed. No one ever heard of any demand by any organization for an emergency tariff bill, as proposed here, until some one in public life, either in the House or in the Senate, began to agitate in order to hoodwink the farmers and deceive them with this kind of legislation.

Of course, if the leaders of public thought in this country try to make their constituents believe that you are helping them by this, and they have confidence in you, they will say, "Take it, take it," especially those constituencies which have been fooled in the past in every campaign by politicians going to them and saying to them that a tariff on wheat would help the price of wheat, notwithstanding there is a surplus sold in the markets of the world, as well as those politicians who have gone among the corn producers and said, "We are going to get you a tariff on corn, and it will help the price of corn in this country and benefit you."

Of course, they would say "Yes; I will take it," when you knew at that time that there was not as much corn coming to this country, as I stated before, as is raised in one county in some of the States of the Union, and you are proposing a tax on corn which it is estimated will bring in only \$2,000. So, when you practice deception on him, of course he is going to be in favor of the proposition.

But there was no sentiment in this country among the farmers or in any other class for this legislation until the politicians held it out to them as a promise of some good. When the time comes to write the tariff on these propositions in your coming extra session of Congress, I want to see some of the letters those of you who now vote for these provisions will write back to your constituents, saying, "Oh, the conditions have changed. Circumstances are not now the same as they were then, and I have to vote to reduce the tariff I voted for in the emergency tariff bill."

You will make your constituent just as mad then as you would make him now if you played on the level with him and put the cards on the table and told him you had been hoodwinking him in the past, and said, "I am not going to do it any more." If you go to him and say, "It is not my duty as a Senator or a Representative to vote special favors for any class, any section, or any number of people at the expense of the many, but I am to look at the proposition in a broad way, and I can not afford to go back on the promises I so solemnly made to the American people in October, 1920, that the cost of living would be reduced; I refuse to break a pledge I made to the American people, and I can not vote for this iniquitous measure, which will place heavy burdens on the great consuming masses," then you would not have to make explanations in the extra session of Congress; but you will writhe and you will tremble and you will be frightened to death—political death at least—during the extra session when you have to explain why you are in favor then of reducing the tariff you now propose and have put into this bill.

So I predict that you will not do it. I predict that there is not enough courage upon the part of men who are going to vote on the proposition three months from now, when a permanent tariff bill is before us, to reduce the rates from those you are going to vote for now.

So I am just assuming—and the assumption is practical in its common sense—that whatever rate is written in this bill and passed as an emergency measure will be carried over into the extra session of Congress and it will be an incubus you will fasten on the American people. I am not willing to do it.

Now let me get back to wool. I was in hopes that the Senator from Utah would explain that proposition, but he has not. I will tell you why I think the leader on the Republican side offered this amendment to this bill. He saw the injustice in the provision on wool. Whether it was deliberately put in there or whether it got in there inadvertently I do not know, but the Senator from Massachusetts discerned it, and so he wants to take care of the situation. He knows that if you report such a provision as this out of the Finance Committee and pass it it would mean disaster to the Republican Party. So he says, "Let us place in the wool schedule, where these high and unreasonable and exorbitant rates on wool are written, a proviso which shall read:

Provided, That skirted wools as imported in 1890 and prior thereto are hereby exempted.

The Senator from Utah says that while he may not favor this exact language, the idea carried in it meets his approval. It is because he has been convinced since this bill was reported out of the committee, where it received about two minutes' consideration of the Senators present, that it is so crudely drawn that it needs to be smoothed out in a lot of places.

Here is the joker. Here is what I want explained by the Senator from Utah—

Mr. SMOOT. The Senator will have to excuse me for a moment. I have been called from the Chamber.

Mr. HARRISON. All right; I will excuse the Senator.

The latter part of this provision on wool says:

On wool and hair provided for in this paragraph which is sorted or increased in value by the rejection of any part of the original fleece, the duty shall be twice the duty to which it would otherwise be subject, but not more than 45 cents per pound.

So that means that on all wool which is imported from New Zealand and Australia the price shall be 45 cents a pound. In the Underwood-Simmons law it was carried free, so that it is raised 45 cents a pound. In the beginning of the discussion of the tariff they said that as to unwashed wool the rate should be 15 cents a pound, and on washed 30 cents a pound. So they put this little joker in, saying that on wool which is assorted or increased in value by the rejection of any part of the original fleece the duty should be the duty to which it would otherwise be subject.

Now, it is in the manner of shearing the sheep of New Zealand and Australia and it is the way we import the wool that governs the duty of 45 cents a pound. They shear them differently in New Zealand and Australia from the way they are sheared in the United States. They are skirted there, so to

speaking; that is, they cut off all the wool on the body, and then they cut the wool from the legs and the wool from the necks of the sheep, so that the wool of the body is brought in. They call that method skirting. Under that provision in the bill, as reported by the committee, it is provided that on wool—

which is sorted or increased in value by the rejection of any part of the original fleece, the duty shall be twice the duty to which it would otherwise be subject, but not more than 45 cents per pound.

So they increase in value the Australian and New Zealand wool by rejecting that part which comes from the neck and the leg, by the skirting process. But this provision would have slipped through if we had not called their attention to it, and the rate would be 45 cents a pound on wool that might come from Australia and New Zealand. I do not believe there is any danger of any coming in.

Mr. WOLCOTT. Mr. President, will the Senator yield?

Mr. HARRISON. I yield.

Mr. WOLCOTT. The Senator said that the provision would have slipped in if we had not called attention to it. Do I understand from that that there has been accepted an amendment to that language?

Mr. HARRISON. The leader of the Republican Party in this Chamber saw the workings of the provision, and offered an amendment on which we will vote, which says:

Provided, That skirted wools as imported in 1890 and prior thereto are hereby exempted.

So those wools will be exempted from this double-taxation feature; in other words, the Senator from Massachusetts is trying to take care of the joker that was placed in the bill.

Mr. WOLCOTT. When that exemption is made, what is there left on which the original provision operates?

Mr. HARRISON. Then it will operate by the tax on wools being 15 cents a pound on unwashed, 30 cents a pound on washed, and 45 cents a pound on scoured wool. I had offered an amendment to strike out that part of the bill which provides that on wool—

which is sorted or increased in value by the rejection of any part of the original fleece, the duty shall be twice the duty to which it would otherwise be subject, but not more than 45 cents per pound.

Mr. WOLCOTT. The leader on the other side of the Chamber has offered an amendment exempting from the operations of the double-duty provision certain wools that were skirted under the practice of 1890 and prior thereto?

Mr. HARRISON. Yes.

Mr. WOLCOTT. What I desire to know is what kind of wool will be left for the double-duty provision to apply to after we have made that exemption?

Mr. HARRISON. My idea about that would be that it would apply to the wools that are prepared according to the methods of New Zealand and Australia the same as to any wools coming from any other country.

Mr. WOLCOTT. Not subject to the double duty?

Mr. HARRISON. No; they would not be subject to the double duty, but would be subject to the same duty as is imposed here of 15 cents a pound on unwashed wool, 30 cents a pound on washed wool, and so on.

Mr. WOLCOTT. I understand that, but the Senator has not got my point yet. The double-duty provision, if the bill passes with the amendment suggested by the leader on the other side, will still be in the bill. Certain wools, however, are exempted from that double-duty provision. Are there other wools from any other source which will, if they come in, still be liable to the double duty?

Mr. HARRISON. My information is that the only countries where the wools are skirted and prepared in that way, that would be affected by the provision which it is proposed to cure, are New Zealand and Australia. I am not advised whether we get very much wool from any other country or not, and I do not know just how they prepare those wools, but I do know that New Zealand and Australia, from which our greatest supply of wool, as I understand it, is imported to this country, prepare their wool by that method, so that they would be compelled to pay 45 cents per pound duty.

Mr. WOLCOTT. Does not the Senator think, if the provision in the first instance was a joker, that those who are interested in the joker feature of it are not likely to give up all their purposes, but will give up only to the extent that their purposes are exposed, and may there not be something else lurking in the bill that we, who are not experts on the wool question, have failed to discover?

Mr. HARRISON. I think there are many things that ought to be discovered, and I hope will be discovered, before the bill is passed. If we had allowed them to have their way, if they could have received their two-thirds vote as they tried to do, if they had been permitted to place a strangle hold through the

cloture rule on the Senate and had passed the bill as they tried to do, with all these jokers in it and all these iniquities in it, it would have meant greatly increased costs to the American consumer. Yes; I should not be surprised if there are many other jokers in it, and many things that ought to be discovered in addition to those we have uncovered, even though they have said we were filibustering. There has never been any filibuster; there has merely been an honest effort made to have those who are sponsors for the measure explain its features, which they refuse to do. There has only been one Senator on the Republican side who attempted to defend any of the features of the bill, and that was the Senator from North Dakota [Mr. McCUMBER] on the one proposition of wheat.

I do not know whether the Senator from Delaware was in the Chamber a moment ago when I pleaded with the Senator from Utah [Mr. SMOOT] to explain the purposes of the amendment offered by the Senator from Massachusetts [Mr. LODGE] and to explain the wool schedule. I have waited until this moment and I have not yet received any explanation. I do not know whether they will ever explain it or not. But certainly Senators on the other side of the aisle, who have always stood for protection, and honestly so, ought to compel those Senators who are in charge of the bill to defend its provisions and explain them before the vote is taken. I sincerely hope that the distinguished Senator from Utah [Mr. SMOOT], who is reputed to know more about the wool schedule than anyone else—and I believe he does know more about it than almost anyone else—will explain the provisions and explain why the Senator from Massachusetts saw fit to offer the amendment making an exception in the wool schedule.

Mr. WOLCOTT. I should like to ask the Senator from Mississippi, if he was not particularly concerned, except for political reasons, why anything should be explained, would not he put it through if he had the votes behind him?

Mr. HARRISON. Those are the tactics under which the Republican side of the Chamber is now operating. They are going to put the clamps on us and put the bill through, it seems, without explanation. But the American people want the explanation. They know that this is an unprecedented measure and that this is absolutely contrary to the promises the Republican Party made to the people in last October.

Mr. SMOOT. Mr. President, will the Senator yield?

Mr. HARRISON. I yield.

Mr. SMOOT. The pending amendment is the sugar amendment. We have explained that. Will not the Senator let us vote on that, and then when the wool amendment comes up those who are interested in it no doubt will explain it?

Mr. HARRISON. Yes; we are going to vote on the sugar schedule presently.

Mr. SMOOT. That is the pending question. It seems to me the question of the wool schedule ought to come up when we have that amendment before us.

Mr. HARRISON. It will be brought up again when we reach that amendment.

Mr. SMOOT. I am perfectly aware of the program.

Mr. HARRISON. The Senator from Massachusetts [Mr. LODGE] has offered some other amendments also. He has offered several in fact. He does not like the wool provision reported by the Senate Finance Committee, so he offered amendment No. 19, which provides:

In paragraph 18, page 3, line 16, strike out the words "wool, commonly known as clothing wool" and in place insert the words "all wools."

Then he follows with amendment No. 20 that places a compensatory duty on everything that is made out of wool, and so forth. In other words, the Senator from Massachusetts is taking the position, and other Senators on the other side of the aisle are taking the position, that if we are going to place an unreasonable tariff on raw wool, we ought to place an unreasonable tariff, I take it, on the finished product and on various things that are made out of raw wool. In other words, they want some protection for the interests of New England and their respective constituencies, the same as those who are sponsoring the measure want protection for some of their constituents. So there is a fight, and I say to Senators from New England, where bread lines are being formed, where wages are being cut, where the cost of living is not being reduced proportionately with the reduction in wages, that they will have to answer to those men, they will have to answer to the people of their States why they propose to place this greater burden on the necessities of life.

There are other amendments, but I am not going to delay the Senate longer in a discussion of the provision on sugar. If those who promised the people to reduce the cost of living are going to go back on that promise with reference to sugar, and place upon them this burden of \$160,000,000 or \$80,000,000 or what-

ever it may be, they can then vote for the adoption of the amendment. I shall vote against it.

The PRESIDING OFFICER (Mr. WALSH of Massachusetts in the chair). The question is on the amendment offered by the senior Senator from Utah [Mr. SMOOT] proposed as a substitute for the committee amendment.

Mr. HARRISON. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The Secretary will call the roll.

The Assistant Secretary called the roll, and the following Senators answered to their names:

Ball	Gooding	Lodge	Smith, Md.
Borah	McCumber	McKellar	Smith, S. C.
Brandegee	Hale	McLean	Smoot
Calder	Harris	McNary	Stanley
Capper	Harrison	Moses	Sterling
Coff	Heflin	Nelson	Sutherland
Culberson	Johnson, Calif.	New	Swanson
Curtis	Jones, N. Mex.	Overman	Thomas
Dial	Jones, Wash.	Phelan	Townsend
Dillingham	Kellogg	Phipps	Trammell
Edge	Kendrick	Polindexter	Underwood
Elkins	Kenyon	Pomerene	Walsh, Mass.
Fall	Keyes	Ransdell	Walsh, Mont.
Fernald	King	Sheppard	Warren
Frelinghuysen	Kirby	Simmons	Willis
Gay	Knox	Smith, Ariz.	Wolcott
Glass	Lenroot		

Mr. FERNALD. I wish to announce that the senior Senator from Wisconsin [Mr. LA FOLLETTE] and the senior Senator from Missouri [Mr. REED] are absent from the Senate attending to the business of the Senate.

The PRESIDING OFFICER. Sixty-seven Senators have answered to their names. There is a quorum present.

Mr. SIMMONS. Mr. President, I wish to know if we may not now have a vote on the amendment of the Senator from Utah [Mr. SMOOT] to the amendment of the committee on the sugar item?

Mr. POMERENE. Mr. President, before the sugar amendment comes to a vote, I desire to say merely a word. I wish to direct the attention of the Senate very briefly to the effect that this proposed legislation, in so far as the sugar schedule is concerned, will have upon the consumer. I recognize that it is a waste of time to speak on the subject. There are over 105,000,000 consumers, but what boots that fact when some one wants a tariff for some particular locality?

In the year 1920 there was consumed in this country sugar to the amount of 9,067,971,840 pounds, a per capita average of 86.56 pounds. According to the census of 1920, there were 105,683,108 people in continental United States. Figuring the per capita consumption of sugar at 86 pounds, the total consumption aggregates 9,088,747,283 pounds.

I am not going to weary the Senate by indulging in quotations of fractional parts of a cent. It is conceded that the present law adds 1 cent per pound and more to the price of sugar. Under the amendment proposed by the Senator from Utah [Mr. SMOOT] that expense will be doubled to the consumer; in other words, it doubles the tariff duty. The Senate committee amendment would add 3 cents a pound to the price of the sugar, but assuming for the sake of argument that the amendment offered by the Senator from Utah is adopted, the total consumption cost will be \$181,774,944.76.

Now, let us see for a moment what that means to the people in my own State of Ohio. The last census gave to the State of Ohio a population of 5,759,368. The average consumption of sugar being figured at 86 pounds per capita, makes the total consumption for the State of Ohio annually 495,305,648 pounds. Again assuming that the amendment proposed by the Senator from Utah is adopted, it adds to the cost to the consumer over and above what the cost would be, assuming that the cost is increased by the amount of the tariff, 2 cents a pound.

Mr. SMOOT. If the Senator will pardon me—

Mr. POMERENE. I understand what the Senator from Utah has in mind, and I am going to make that clear.

Mr. SMOOT. Very well.

Mr. POMERENE. I mean when I make that statement that the present duty on sugar is over a cent a pound and that the Senator's amendment doubles that. No doubt that was what the Senator from Utah rose to interrupt me to state.

Mr. SMOOT. That is, my amendment doubles the present rate.

Mr. POMERENE. That means that the present tariff plus the increase proposed by the Senator from Utah would add to the cost of sugar to the consumers in the State of Ohio alone \$9,906,112.96.

Now I want to make some comparisons between the cost to the State of Ohio and the sugar industry of the State of Louisiana, in order that we may understand what this legislation

means; I call the attention of the Senate to the House hearings on this schedule on January 18, 1921.

In a statement which was submitted to the Ways and Means Committee, beginning on page 1154, submitted by the American Cane Growers of the United States, we find, on page 1156, that the yearly average of cane-sugar production in Louisiana for the period 1909 to 1918 is 542,893,000 pounds. On page 1157 we find that the total value of the entire investment of the sugar interests of Louisiana prior to the war aggregated \$154,171,000.

The total annual outlay, according to this same report, for material and for labor aggregated \$25,475,000 in the State of Louisiana. Assuming that the Smoot amendment is adopted, let us inquire as to its effect.

Multiplying the average annual production of 542,893,000 pounds by the tariff of 2 cents per pound it makes the total increase of income to the Louisiana producers \$10,857,860. In other words, to get this increase of revenue for Louisiana of \$10,857,860 Ohio consumers must have the cost of their sugar increased \$9,906,112.96.

In 1920 the census gave to Louisiana 1,797,798 men, women, and children. The consumption for Louisiana, again computing it at 86 pounds per capita, amounted to 154,610,628 pounds, and the 2-cent increase would make the increased cost to the people of Louisiana \$3,092,212. In other words, Louisiana consumers are taxed \$3,092,212 in order to get for their producers an increased revenue of \$10,857,860.

Mr. RANSDELL. Twice as much as to the people of the Senator's own State.

Mr. POMERENE. No; it would not be twice as much. It would be about one-third as much. Now, in the United States the total cost by reason of adding the 2 cents a pound will be \$181,000,000. The total valuation of the sugar plants—that includes real estate, manufacturing plants, and equipment of every kind—in Louisiana is \$154,171,000. So it follows that by this tariff tax the consumers of the United States must pay \$26,829,000 more than the value of the entire sugar property before the war.

It is significant that in this same report to which I refer, though the Senators from Louisiana have said that they have been in dire distress during the last several years—and I am not doubting that statement—they estimate the value of their plants at the present time at something like \$250,000,000. In other words, it is interesting to observe that while the value of this property before the war was only \$154,171,000, and they have been distressed as they are according to the report which the cane producers themselves submit, the value of their property has increased nearly \$100,000,000.

Mr. President, I do not care to go into the details of this matter further; but I felt that it was simply just to the consumers that a few of these figures and comparisons should be submitted.

Mr. RANSDELL. Mr. President, I should like to ask the Senator why it is that he confines his whole argument to the State of Louisiana?

I hold in my hand a report from Willett & Gray, the greatest sugar authorities in the United States. It shows that for the year 1919—I take that year because we do not know exactly what was consumed from our various sources last year—the total consumption of sugar produced from cane in continental United States was 154,034 tons; of sugar made from beets, 872,253 tons; of Hawaiian cane—and Hawaii is a part of the United States to all intents and purposes; we do not impose any duty on the sugar that comes from Hawaii—it was 514,824 tons; of sugar from the Virgin Islands—which also belong to the United States, and the sugar from those islands does not pay any duty—the consumption was 8,286 tons; of sugar from Porto Rico—which is also a part of the United States, and the sugar from there does not pay any duty—the consumption was 286,880 tons; of sugar from the Philippine Islands—which also belong to the United States, and the sugar from these islands does not pay any duty—the consumption was 72,511 tons; and of the various sugars made from foreign molasses and United States maple the consumption was 34,094 tons; making a total, Mr. President and Senators, of United States sugar consumed during the year 1919 that does not pay one cent of duty of 1,942,882 tons. And yet the Senator from Ohio stands here and argues and argues, and other Senators have argued, about the Louisiana crop, although the Louisiana crop was only 154,000 tons out of a total made in the continental United States and our insular possessions, as I show here, of 1,942,882 tons.

Why try to make an argument such as that? Why try to convince the American people that the Louisiana Senators are attempting to hold up the people of this Nation to protect their little "worthless industry," as the Senator would have you believe?

Senators, there was sugar consumed in this country in 1919 amounting to 1,942,000 tons that was just as domestic as the cane sugar of Louisiana. I say to you, sirs, that the beet-sugar industry is a growing industry. It is not an infant industry any longer. It has been aided somewhat for some time, and it is assuming real proportions. Mr. President, there are 273,000,000 acres of land in the United States adapted to beet culture; and if you should plant beets on 4,000,000 acres out of that 273,000,000 and cultivate them with one-half the intelligence that the German people displayed in cultivating beets in their country prior to the recent war, we would make all the sugar we need right here in continental United States; and, in my judgment, sirs, that is an end very much to be desired.

If that were true, and we were making in continental United States all the sugar we needed, sugar would be cheap, just as wheat is cheap, as corn is cheap, as meat is cheap, as cotton is cheap—just as all the products of the farm are cheap when we produce all we need at home and have some to ship abroad.

Senators, before voting on this question, I wish you to remember that all the arguments made here to-day have been on the basis of a 2-cent addition to the duty. It has been explained by the Senator from Utah time and again, my colleague [Mr. GAY] has explained it, and I have explained it, that the amendment we are about to vote on is a 1-cent addition.

Yet all these arguments are based on a 2-cent tariff. Why not be fair? If the case is so bad as these Senators would make it, it looks to me as if half of a bad thing would be also bad. But they must debate it, in spite of the fact that we try to explain it, and they will not accept our statements when it is explained.

Mr. WALSH of Montana. Let us be fair, and accept the Senator's statement. The fact is that there is a tariff of 2 cents.

Mr. RANDELL. No, Senator; there is a tariff of 1 cent now, and we propose to add 1.

Mr. WALSH of Montana. That makes 2.

Mr. RANDELL. It is not added yet. It would be 2 if the Senate accepted the amendment offered by the Senator from Utah.

Mr. WALSH of Montana. Exactly. That is to say, the people of the country are taxed to the extent of 2 cents a pound.

Mr. RANDELL. They would be; they are already taxed to the extent of 1 cent.

Mr. WALSH of Montana. If this bill should become a law.

Mr. RANDELL. That is right.

Mr. WALSH of Montana. They would then pay 2 cents a pound.

Mr. RANDELL. They would pay a tax of 2 cents, and a great proportion of that, as I will show the Senator later, would go into the Treasury of the United States. It would not go anywhere else than into the Treasury. I again read from Willett & Gray's report. It says that last year there was imported into the United States a total of 2,133,000 tons of sugar from Cuba, and of foreign sugar, on which a full duty was paid, a total of 554,019 tons, which makes a total of 2,687,000 tons.

I have computed a duty of 1 cent on that total importation last year, the greatest we ever had in one year. A duty of 1 cent on that would bring in \$60,204,883. It has already come in and we can not get any further duty now, but assuming that in the next year we have as much as last year, then on the basis of a cent added, it would be twice 60, or \$120,000,000, which would go into the Treasury of the United States.

Mr. THOMAS. Mr. President—

The PRESIDING OFFICER. Does the Senator from Louisiana yield to the Senator from Colorado?

Mr. RANDELL. I yield to the Senator.

Mr. THOMAS. The Senator says a part of this duty goes into the Treasury of the United States. Will the Senator tell us where the rest of it goes?

Mr. RANDELL. The part that goes into the Treasury is the duty that is paid on that which is imported from Cuba and other countries. The remaining duty of 1 cent or 2 cents, as the case may be, is added to the price of the sugar in the hands of the man who holds it. In the case of Louisiana, I will say to the Senator from Colorado, the man who holds it is the man who produced it, at least to a very great extent. I do not know who holds the beet sugar, but I infer, from what the distinguished Senator from Utah has said, that it is largely in the hands of the refiners. He has told us that the men who raised the beets have sold them to the refiners, and he also stated that a great many of the farmers of his State were owners in those refineries. So I assume that a great deal of this 2 cents addition would go into the hands of those who produced the sugar.

Mr. THOMAS rose.

Mr. RANDELL. Just a moment; I want to add a little more. I do not know the exact situation in Porto Rico or in

Hawaii. No one has been speaking about those two countries. They produce an immense amount of sugar, and sugar growing is a big industry to both of them. They are a part of the United States. It is just as much our duty to look after them as it is to look after any other part of the country, and I see no reason, from all the evidence here, why the men who produce sugar in Hawaii, in Porto Rico, in the Philippines, and in the Virgin Islands should not get the benefit of this increase of two cents. I now yield to the Senator from Colorado.

Mr. THOMAS. Then it is a fact, is it not, that the remainder of the duty, the part of it which does not go into the Treasury, goes either to the producer or to the refiner?

Mr. RANDELL. I assume that of that part which does not go into the Treasury; yes. We import more than one-half of what we consume, and collect a duty on that, which goes straight into the Treasury. On the other hand, the increased price would go either to the producer or to the refiner; but I have always had an idea that the refiner was a citizen of the United States.

Mr. THOMAS. Oh, yes; so is the consumer.

Mr. GAY. Let me add, if my colleague will yield—

Mr. RANDELL. I yield the floor.

Mr. GAY. The consumer paid more for his sugar before the domestic industry was formed, and if we should follow out the wishes and desires of the Senator from Colorado and wipe out entirely a great American domestic industry, the sugar-producing industry in the United States, I venture the assertion that he or some of his descendants would pay a great deal more for sugar than they are paying now.

Mr. THOMAS. Oh, yes, Mr. President; this industry is going to be wiped out again. It has been on the threshold of ruin every time a large duty has been demanded by those interested in its production. The ruin of American industries is the basis of all of the legislation which robs the consumer for that particular industry.

I do not care to prolong this discussion; I am ready to vote. But I want to say, as I have already said, that it has cost the people of the United States, since the beginning of the sugar industry in Louisiana, many times more than the value of the entire product. We have been protecting it for nearly a century, and when we have not protected it we have paid it a bounty, and still it is about to be ruined; and it will always be in that condition so long as it is possible to secure from the Government of the United States the levy of duties upon the consumer to keep it alive. To my mind it would be better to-day if the United States Government should pay to the people of Louisiana interested in the sugar business the value of their land and their crops, plus 10 per cent, and abandon the business, than to continue this constant exaction on the consumers of millions upon millions of dollars from their pockets to the end that it may continue.

Mr. RANDELL. The Senator from Colorado is a great student. I want to ask him what he thinks of the wisdom or unwisdom of the policy of the German Empire in encouraging the production of beet sugar to such a vast extent that beet sugar was made in very large quantities in that Empire, and was exported in very large amounts, so much so that it was one of the most productive, successful agricultural enterprises of the German Empire? Was that an unwise or a wise agricultural policy?

Mr. THOMAS. Does the Senator want me to answer that question?

Mr. RANDELL. I do want the Senator to answer it.

Mr. THOMAS. In some respects it was wise, but for us it was very unwise, because the cultivation of the beet in Germany, and its protection by the German Government, has been the fruitful source in years past of the demand here for a similar protection, indeed, a greater one, lest German sugar would wipe Louisiana sugar from the face of the earth. So far as the Germans are concerned, I can see some advantages in it. So far as the United States is concerned, it was a calamity. There is going to be plenty of sugar in the world, protection or no protection, ample for all the sons and daughters of men, after this generation and the theory of its protective duty shall be laid away in the dusty archives and cenotaphs of the past.

Mr. RANDELL. I am glad the Senator admits it was at least beneficial to Germany. All students of the subject know that it was wonderfully beneficial to that country.

Mr. THOMAS. I might add, Mr. President, that there the protection given to the industry by the Government seems to have been successful. I believe that the beet-sugar industry in Germany would have been successful anyhow. The difficulty here is, however, that no matter what we do, we can not maintain the sugar industry in the State of Louisiana, except as a hothouse product. It is bound to disappear sooner or later, because of the continued competitive invasion of other forms of production. The time is not far distant when the beet-sugar

Industry, to which the Senator has alluded, will become so great and so expansive that even with the tariff, unless a discriminatory tariff is placed upon Louisiana sugar, it will disappear.

The Senator a day or two ago called attention to the fact that the crop of his State was a failure this year. I think it was a failure the year before. The trouble is that it is a failure in almost as many years as it is a success, not because it is not properly cultivated, but because the climatic and soil conditions are such as to produce that inevitable result, and it can not be compensated for successfully by taxing the people of the United States to maintain it.

Mr. RANDELL. I again want to ask the Senator why he confines himself to the Louisiana situation, when the beet-sugar production of this country, his own State being one of the largest beet-sugar producing States, is more than three times as large as the Louisiana production of cane sugar, and when Hawaii, the Philippines, Porto Rico, and the Virgin Islands all raise a great deal of sugar. Why confine his argument to the Louisiana situation?

Mr. THOMAS. Mr. President, I will answer that question by asking another. Did the Senator ever know me to advocate a duty on beet sugar?

Mr. RANDELL. I do not know that I have.

Mr. THOMAS. No; I do not think the Senator ever did, and the Senator never will.

Mr. RANDELL. That is not an answer to my question, I submit.

Mr. THOMAS. I think it is, because the question involved a charge that while I was ready to place a duty upon sugar for beet sugar's sake I was not ready to extend it to Louisiana sugar.

Mr. RANDELL. I respectfully deny that I intended any such charge as that. Anyone who knows the Senator from Colorado, and has watched him as I have here, and who admires him as much as I admire him, certainly would never charge him with wanting to put a duty on anything. His record is entirely clear in that regard, and I am delighted to make amend, if my remarks were susceptible of that construction. But I do find it so strange, Mr. President and Senators, that the sugar crop of Louisiana is 152,000 tons as compared with 1,940,000 from continental United States and her island possessions, and yet all the attack is made on Louisiana. I do not object to it. My shoulders are broad, I will say to the Senator, and I am willing to stand up here and fight, even if it be for a small industry, and my colleague is willing also. But I submit that it is unfair to make all this fight against us, to hold us responsible for the whole sugar legislation.

Mr. THOMAS. Mr. President, I am very sorry that I misconstrued the question of my distinguished friend, the Senator from Louisiana, for whom I have the highest respect and for whom I entertain the warmest friendship, and I certainly am not intentionally reflecting upon the courage of his convictions, certainly not upon his attitude or record on the tariff upon sugar nor upon the position of his distinguished colleague. Both gentlemen are consistent. There is no change of front upon their part.

The Senators from Louisiana, ever since I have known anything about the history of the country, have advocated, and from their standpoint very properly and conscientiously advocated, the imposition of a duty upon sugar, and I have no doubt that if I were a Member of the Senate from the State of Louisiana I would occupy the same position. It is expected of them by their constituents. I am not reflecting upon them, I trust; not intentionally so.

But to my mind the difference between Louisiana and the other sugar-producing sections of the United States is the reason why it is singled out generally when a discussion of the subject of tariff upon sugar arises. I do not believe that there is any part of the United States producing sugar, cane or beet, but that can produce it profitably without any tariff at all. They have the advantage over Louisiana of climatic conditions, of soil, of atmosphere. The surroundings and environment are all propitious to the industry, and some of those elements Louisiana does not possess. If Louisiana, which, if I remember correctly, is responsible for the introduction of this amendment to this bill—

Mr. RANDELL. That is correct.

Mr. THOMAS. That being the case, Mr. President, we must assume that the desire for this legislation at this time proceeds from Louisiana. As a consequence, the focus is frequently directed upon the industry in that State. I sympathize with those who have lost money in the effort to produce sugar in the State of Louisiana. I sympathize with everyone who has lost money in this recent slump. I would do anything in my

power to help them. But I am unable to perceive that any assistance can come from a bill of this kind, and when I say that, I believe that nothing except long continued and increasing duties will keep the industry of Louisiana alive. I think I am stating what the history of that industry up to this time shows.

Mr. GAY. Mr. President, on the pending question I call for the yeas and nays.

The PRESIDING OFFICER. The question is on the amendment of the Senator from Utah [Mr. SMOOR] to the committee amendment providing for a tariff on sugar. The yeas and nays are demanded.

The yeas and nays were ordered, and the Assistant Secretary proceeded to call the roll.

Mr. EDGE (when his name was called). I have a general pair with the junior Senator from Oklahoma [Mr. OWEN]. I transfer that pair to the senior Senator from Vermont [Mr. PAGE] and vote "yea."

Mr. GLASS (when his name was called). I have a general pair with the senior Senator from Illinois [Mr. SHERMAN], which I transfer to the senior Senator from Nebraska [Mr. HITCHCOCK] and vote "yea."

Mr. KNOX (when his name was called). In the absence of the senior Senator from Oregon [Mr. CHAMBERLAIN], with whom I have a pair, I withhold my vote.

Mr. LODGE (when his name was called). I have a general pair with the Senator from Georgia [Mr. SMITH]. I understand that if present he would vote as I intend to vote. I vote "yea."

Mr. POMERENE (when his name was called). I have a general pair with the senior Senator from Iowa [Mr. CUMMINS]. I transfer that pair to the senior Senator from Tennessee [Mr. SHIELDS] and vote "yea."

Mr. MCKELLAR (when Mr. SHIELDS's name was called). The senior Senator from Tennessee [Mr. SHIELDS] is confined to his room by illness, and for that reason is not present.

Mr. TOWNSEND (when his name was called). I have a general pair with the senior Senator from Arkansas [Mr. ROBINSON]. He is absent, and I therefore withhold my vote.

Mr. WILLIAMS (when his name was called). I transfer my pair with the senior Senator from Pennsylvania [Mr. PENROSE] to the senior Senator from Arizona [Mr. ASHURST] and vote "yea."

Mr. WOLCOTT (when his name was called). I transfer my pair with the senior Senator from Indiana [Mr. WATSON] to the senior Senator from Oklahoma [Mr. GORE] and vote "yea."

Mr. MCKELLAR (after having voted in the affirmative). I wish to inquire if the junior Senator from Ohio [Mr. WILLIS] has voted?

The PRESIDING OFFICER. That Senator has not voted.

Mr. MCKELLAR. I have a pair with the junior Senator from Ohio [Mr. WILLIS]. I transfer my pair to the junior Senator from Rhode Island [Mr. GERRY] and allow my vote to stand.

Mr. DILLINGHAM (after having voted in the affirmative). I observe that the Senator from Maryland [Mr. SMITH], with whom I have a general pair, has not voted. I am informed that he would vote as I have voted, and therefore I am at liberty to vote. So I allow my vote to stand.

Mr. CURTIS. I desire to announce that the junior Senator from Illinois [Mr. MCCORMICK] is paired with the junior Senator from Nevada [Mr. HENDERSON].

Mr. HARRISON. I wish to announce that the Senator from Arizona [Mr. ASHURST], the Senator from Rhode Island [Mr. GERRY], the Senator from California [Mr. PHELAN], and the Senator from Nevada [Mr. PITTMAN] are necessarily absent on official business.

The result was announced—yeas 67, nays 1, not voting 28, as follows:

YEAS—67.

Ball	Glass	Lenroot	Smith, Ark.
Beckham	Gooding	Lodge	Smith, S. C.
Borah	Gronna	McCumber	Smoot
Brandegge	Hale	McKellar	Spencer
Calder	Harris	McLean	Stanley
Capper	Harrison	McNary	Sterling
Coff	Heflin	Moses	Sutherland
Culberson	Johnson, Calif.	Nelson	Swanson
Curtis	Jones, N. Mex.	New	Trammell
Dial	Jones, Wash.	Overman	Underwood
Dillingham	Kellogg	Phipps	Wadsworth
Edge	Kendrick	Polindexter	Walsh, Mass.
Elkins	Kenyon	Pomerene	Walsh, Mont.
Fletcher	Keyes	Ransdell	Warren
France	King	Reed	Williams
Frelinghuysen	Kirby	Shappard	Wolcott
Gay	La Follette	Simmons	

NAYS—1.

Thomas

NOT VOTING—28.

Ashurst
Chamberlain
Cummins
Fall
Fernald
Gerry
Gore

Henderson
Hitchcock
Johnson, S. Dak.
Knox
McCormick
Myers
Newberry

Norris
Owen
Page
Penrose
Phelan
Pittman
Robinson

Sherman
Shields
Smith, Ga.
Smith, Md.
Townsend
Watson
Willis

So Mr. SMOOT's amendment to the committee amendment was agreed to.

The PRESIDING OFFICER. The question now recurs on the committee amendment as amended.

Mr. SIMMONS. On that question I ask for the yeas and nays.

The yeas and nays were ordered, and the Assistant Secretary proceeded to call the roll.

Mr. GLASS (when his name was called). I transfer my pair with the senior Senator from Illinois [Mr. SHERMAN] to the senior Senator from Nebraska [Mr. HITCHCOCK] and vote "nay."

Mr. McKELLAR (when his name was called). I have a pair with the junior Senator from Ohio [Mr. WILLIS], which I transfer to the junior Senator from Rhode Island [Mr. GERRY], and vote "nay."

Mr. POMERENE (when his name was called). Again announcing my pair with the senior Senator from Iowa [Mr. CUMMINS], I transfer that pair to the senior Senator from Tennessee [Mr. SHIELDS] and vote "nay."

Mr. TOWNSEND (when his name was called). I have a general pair with the senior Senator from Arkansas [Mr. ROBINSON], for which I can not arrange a transfer and therefore must withhold my vote. If permitted to vote, I should vote "yea."

Mr. WILLIAMS (when his name was called). Repeating the announcement which I made upon the last vote with regard to my pair and its transfer, I vote "nay."

Mr. WOLCOTT (when his name was called). I transfer my pair with the senior Senator from Indiana [Mr. WATSON] to the senior Senator from Nevada [Mr. PITTMAN] and vote "nay."

Mr. FERNALD. I transfer my pair with the junior Senator from South Dakota [Mr. JOHNSON] to the junior Senator from Vermont [Mr. PAGE] and vote "yea."

Mr. SMOOT. I desire to announce that the junior Senator from Ohio [Mr. WILLIS] is unavoidably detained from the Senate. He is paired with the Senator from Tennessee [Mr. McKELLAR].

I also wish to announce that the junior Senator from Illinois [Mr. McCormick] is paired with the junior Senator from Nevada [Mr. Henderson].

Mr. HARRISON. I have been requested to announce that the Senator from Arizona [Mr. ASHURST], the Senator from Rhode Island [Mr. GERRY], the Senator from California [Mr. PHELAN], and the Senator from Nevada [Mr. PITTMAN] are necessarily absent on official business.

Mr. KNOX. I transfer my pair with the senior Senator from Oregon [Mr. CHAMBERLAIN] to the senior Senator from Kansas [Mr. CURTIS] and vote "yea."

Mr. EDGE. I have a general pair with the junior Senator from Oklahoma [Mr. OWEN]. In his absence I refrain from voting.

Mr. TOWNSEND. I find that I can transfer my pair with the senior Senator from Arkansas [Mr. ROBINSON] to the junior Senator from Maryland [Mr. FRANCE]. I make that transfer and vote "yea."

The result was announced—yeas 41, nays 29, as follows:

YEAS—41.

Ball
Borah
Brandegge
Calder
Capper
Coff
Dillingham
Elkins
Fall
Fernald
Frelinghuysen

Gay
Gooding
Gronna
Hale
Johnson, Calif.
Jones, N. Mex.
Jones, Wash.
Kellogg
Kendrick
Kenyon
Knox

La Follette
Lenroot
Lodge
McCumber
McLean
McNary
Nelson
New
Phipps
Polindexter
Ransdell

Sheppard
Smoot
Spencer
Sterling
Sutherland
Townsend
Wadsworth
Warren

NAYS—29.

Beckham
Culberson
Dial
Fletcher
Glass
Gore
Harris
Harrison

Heflin
Keyes
King
Kirby
McKellar
Moses
Overman
Pomerene

Reed
Simmons
Smith, Ariz.
Smith, S. C.
Stanley
Swanson
Thomas
Trammell

Underwood
Walsh, Mass.
Walsh, Mont.
Williams
Wolcott

NOT VOTING—26.

Ashurst
Chamberlain
Cummins
Curtis
Edge
France
Gerry

Henderson
Hitchcock
Johnson, S. Dak.
McCormick
Myers
Newberry
Norris

Owen
Page
Penrose
Phelan
Pittman
Robinson
Sherman

Shields
Smith, Ga.
Smith, Md.
Watson
Willis

So the amendment of the committee as amended was agreed to.

The PRESIDING OFFICER. The next amendment proposed by the Committee on Finance will be stated.

The ASSISTANT SECRETARY. The next amendment is on page 5, line 17, where the Committee on Finance proposes to insert:

20. Butter and substitutes therefor, 8 cents per pound.

Mr. HARRISON. Mr. President, I merely desire to say a few words in reference to this amendment. Under the Underwood-Simmons tariff law the tax on butter is 2½ cents a pound, while under the Payne-Aldrich law it was 6 cents a pound. This amendment places the tax 2 cents higher than ever was carried in any Republican tariff measure. For the year ending June 30, 1920, the imports of butter into this country amounted to 20,770,759 pounds, of the value of \$10,916,770. The exports during the same period were 27,155,834 pounds, of the value of \$15,491,682. In other words, in value our exports exceeded our imports by practically \$5,000,000.

Mr. CALDER. Can the Senator from Mississippi inform me from what countries the butter was imported?

Mr. HARRISON. I can not inform the Senator, but I think quite a large supply came from Canada, though it may be that some came from Denmark. I am not advised about that. Perhaps the Senator from North Carolina can inform us.

Mr. UNDERWOOD. I will say to the Senator from North Dakota that most of the butter which is imported into this country comes from Denmark.

Mr. HARRISON. Some of it also comes from Canada, I imagine.

Mr. SIMMONS. Mr. President, I think a very remarkable showing is presented by the statistics relative to the next three items in the bill—butter, cheese, and condensed milk. I have been looking up the statistics in reference to those articles; I am not going to discuss them, but I wish simply to read them to the Senate.

Of butter and butter substitutes in 1920 the imports were 30,000,000 pounds, the exports were 27,000,000 pounds; of cheese and substitutes in 1920 the imports were 12,000,000 pounds, while the exports were 19,000,000 pounds; of condensed milk the imports were 19,000,000 pounds, while the exports were 710,000,000 pounds.

So we have of these three items for the year 1920 imports to the extent of 61,000,000 pounds, while the exports amounted to 756,000,000 pounds, the exports being more than ten times the amount of the imports.

In dollars, Mr. President, the difference is still more striking. In dollars the imports of butter and substitutes amounted to \$10,000,000, while the exports were \$9,000,000; of cheese and cheese substitutes the imports were \$4,000,000, while the exports were \$6,000,000; of condensed milk the imports were \$3,000,000, while the exports were \$104,000,000, or, taking the three products, there were \$17,000,000 of imports and \$119,000,000 of exports.

The production of butter and substitutes in the United States amounts to 2,000,000,000 pounds; the production of cheese and cheese substitutes amounts to 400,000,000 pounds; the production of condensed cream or milk amounts to 8,000,000,000 pounds, making a total production in the United States of these products of 10,400,000,000 pounds as against 61,000,000 pounds of imports. If there is any case where there is no occasion for the increase of duty it is this case. With a production of 10,000,000,000 pounds it seems to me that 61,000,000 pounds can not materially affect the price of the American product.

I do not wish to discuss the matter further, but I think these figures illustrate how recklessly we are raising rates in this bill.

Mr. McCUMBER. Mr. President, may I ask the Senator for what year these figures as to exports and imports were collected?

Mr. SIMMONS. For the fiscal year 1920.

Mr. McCUMBER. A large amount of those exports went to supply those who were starving in Europe, did they not?

Mr. SIMMONS. I presume, so far as condensed milk is concerned, that a considerable portion was exported on that account, but our yearly exportations of condensed milk are enormous.

Mr. McCUMBER. Mr. President, I wish to read a very short paragraph from the testimony given by Mr. Fitch:

In the New York market alone in the year 1920 there were imported 28,000,000 pounds of foreign butter—

That is, in New York City alone—

with the result that the price, instead of advancing from July up until the end of the year, declined from 55.44 to 54.75. Taking the same months as previously quoted, the decline was from 56.67 to 54.75.

Of course, under ordinary conditions such products as eggs, for instance, will be the cheapest in the months of April, May, and June, and then the price will go higher as the fall and winter approach, and it will become extremely high during the

cold months. While the cattle are grazing, of course, we expect to have butter and milk and cream products very much cheaper, and we expect them naturally to go up during the period of scarcity. In this instance the rule has worked exactly the other way, and instead of going up they have been steadily going down, until, as it appears from the evidence, the prices are below the cost of production. The witness further says:

Now, if the producers of butter in this country are to continue in business they must be protected. The menace of this foreign butter coming over every month is getting to be a serious matter to the producers. On January 7, just this month, there was started from Copenhagen one ship which will bring in the largest cargo of Danish butter ever imported into the United States—approximately 20,000 casks, or over 2,200,000 pounds. On the arrival of that butter we have every reason to believe that the price of domestic butter will decline. A single instance of that kind would not be alarming, but every week or 10 days another ship comes over, and while, perhaps, the ships from other ports may not carry as great a quantity as the direct ship from Copenhagen, nevertheless they add very largely to the supply of butter now being held in the country and now being produced. Ordinarily the farmers would receive perhaps 20 to 25 per cent higher prices for their winter butter than for their summer butter, but this year it has been tending in the opposite direction, and every indication points to a still further decline in price unless the farmers have the protection that they require.

Again, he says:

The highest market in 1920 was in April, when the average price for the month was 71.35 cents, and the average price for December was 54.75, a decline of about 17 cents. Up until about April there was but very little Danish butter received.

All these staples are governed by the law of supply and demand. Had it not been for this importation of 33,000,000 pounds of butter into the United States, the price of butter would have advanced materially on account of the very short production in this country.

And my colleague [Mr. GRONNA] just informs me that in a single storage plant, I think in New York, there is now stored over 5,000,000 pounds of this Danish butter. It is coming into this country in immense quantities. There is a close relation between declining prices at a period when the prices should go up and the importations that have been going on.

Mr. HARRISON. Mr. President, may I ask the Senator before he takes his seat whether those are wholesale prices that he has been quoting on butter?

Mr. McCUMBER. Wholesale prices.

Mr. HARRISON. What is the wholesale price of butter at the present time? Did I understand the Senator to say that it is 54.75 cents?

Mr. McCUMBER. I think when this witness was testifying it was about that figure. It is much less than that now.

Mr. HARRISON. May I ask the Senator, if he knows, how much of the butter that is now stored in the United States is controlled by the five big packers?

Mr. McCUMBER. I do not know; no great quantity. The butter that is coming in now is not purchased by the packers in any way whatever.

Mr. HARRISON. It comes in competition with that that is held by the five big packers.

Mr. McCUMBER. That is true also, according to the testimony, of the meats that have been coming in. I have not discussed that situation, but the testimony shows that all of these carcasses that are coming in of sheep and lambs and beef from New Zealand and Australia are not in the hands of the packers at all, but they are in private hands in the city of New York and other seaport towns; that they were really brought over here and sold under the direction of the British Government, which I think had in some way contracted for them, and that Government is unloading the entire surplus on the United States. Now, Senators must not confuse the great reduction in the wholesale price of meats with no reduction but an actual increase in the retail price of these commodities.

Mr. WILLIAMS. Mr. President, before the Senator from North Dakota takes his seat I want to ask him a couple of questions.

Is this Danish butter as good as our butter?

Mr. McCUMBER. I know of no reason why it should not be as good. I suppose they have good blooded stock in Denmark. They care for them, undoubtedly, just as carefully as we do. The dairy cattle which they raise there are regarded as the finest dairy cattle in the world; so I know of no reason to assume that the butter from the milk of those cows is not equal to that produced here.

Mr. WILLIAMS. I understand the Senator to respond that the Danish butter is as good as our butter. Now, I want to ask him one more question. Is it as cheap as our butter, or cheaper, to the consumer?

Mr. McCUMBER. Mr. President, I suppose the Senator and I will agree that if we increase the supply it will reduce the price; but if the Senator asks me whether or not it is cheaper to the consumer, I can not say, for this reason: I know that the wholesale price is very much cheaper; and if the retail mer-

chant will gauge his price according to the wholesale price, it must necessarily be very much cheaper to the consumer.

Mr. WILLIAMS. Then I understand the response of the Senator to be that when the Danish butter comes into the seaports of the United States it is cheaper than the butter that meets it in competition there, and that after that the cost of distribution to the ultimate consumer settles whether or not it will be cheaper to him. That is about right; is it not?

Mr. McCUMBER. That is right. It brings the price of our butter down to the price of the Danish butter.

Mr. WILLIAMS. Now, if it be true that the Danish butter is as good as ours, or better—and the Senator seems to incline to the idea that it is better on account of their superior dairy skillfulness—

Mr. McCUMBER. No; I have not said that.

Mr. WILLIAMS. And if it be also true that it goes to the consumer at the point where the consumer meets the foreign product at a cheaper price, then I should like to know why the American consumer—the workman in the factory in New York and in Boston and in Baltimore and in Philadelphia and in Charleston and in Galveston and in New Orleans—should be charged a higher price for an equal quality sold at a lower price.

Mr. GRONNA. Mr. President, will the Senator yield for a question?

Mr. WILLIAMS. Yes.

Mr. GRONNA. I am somewhat surprised that my good friend from Mississippi will raise this question, when, as a matter of fact, every year we appropriate large sums of money to promote the dairy industry in the tick-free areas of the South. Now, if it is good business to have all our butter imported just because we can furnish our people with cheap butter, why are we expending all this money in the South to encourage that industry?

Mr. WILLIAMS. Mr. President, the extirpation of disease is one thing, and the maintenance of an unfair competition is another thing; and, as far as I can see, they have nothing to do with one another. If there has been money appropriated for the purpose of extirpating the tick disease—which, by the way, is not confined to the South, as the Senator would have us imagine—it is for the purpose of the extirpation of a disease amongst cattle. That has nothing in the world to do—nothing, absolutely nothing—with the question of giving a producer of butter in the State of North Dakota or the State of South Dakota an advantage over a Danish man who produces a butter of equal quality at a lower price.

Mr. GRONNA. The Senator is correct in stating that there are two questions involved. We first appropriate a large sum of money, and no one has been more willing to appropriate it than I since I have been a Member of this body; but, after we have eradicated the tick, then we encourage the industry of dairying. The Senator knows that that is true.

Mr. WILLIAMS. Oh, no, Mr. President; I do not know that the object of that appropriation was to encourage the industry of dairying. The object of that appropriation was to extirpate disease, just as the object of an appropriation to meet typhus fever or yellow fever or the bubonic plague at New York or at San Francisco is to extirpate disease. That is not the object of the appropriation at all, and if that had been the object I never would have voted for it. I never have voted for, and I never shall vote for, any appropriation the object of which is to encourage a domestic industry of some sort at the expense of the general purchasing public.

Mr. McCUMBER. Mr. President, the Senator has asked me a very simple question which I think can be answered very easily. He asked me, if we could get just as cheap butter and just as good butter from Denmark, why we should not allow the consumers in this country to purchase that cheaper butter. I answer most candidly, for the same reason that we do not allow those same people in New York to import from Great Britain free of duty the clothes that they wear, because Great Britain can make those clothes very much cheaper than we can; for the same reason that we do not allow them to import free of duty things that might come in from China and from Japan that could be manufactured there very much cheaper than we can manufacture them. We are attempting to get some compensation for the greater prices which we pay and for the protection we afford these laborers who are working in the mills of the East and whose products we must purchase. It is a simple question, I think.

Mr. WILLIAMS. Mr. President, the Senator from North Dakota recurs to the only kernel of truth in his argument—the only kernel of justifiable argumentation, rather; it is not quite truth. He says that the farmer ought to get even with the manufacturer. I rather agree with that, but we rather disagree about how he should get even. I think he had better get

even by repealing the laws that enable the manufacturer to rob the American public. He seems to think he had better get even by enabling the farmer to have another law for additional robbery of the American public.

I do not quite catch the Senator's argument about clothing. "My withers are unwrung." I do not believe you ought to put a tariff tax upon clothing that makes it unduly expensive to the American public in competition with foreign clothing of equal quality at a cheaper price. The Senator does not seem to be capable of understanding quite what I mean. I mean that there is no right anywhere, at any time, upon any commodity, to make the general public pay a higher price in order to compensate for an inferior quality of goods or for a superior price in the home market. I am old-fashioned enough to believe that the principle of the division of labor is the grandest principle ever announced to the industrial world, and that the principle of the division of labor is not confined to one country, but spreads all over the world, and that wherever any man anywhere can by his labor produce a thing of superior quality at a less price than another man in some other part of the world can produce it, the man who can produce it of superior quality at a less price ought to have the market.

I deny that there is any justification for robbing the American public upon Dakota wheat or upon Mississippi long staple cotton, owing to the fact that somebody in New York has robbed the American public on clothes, or on silk, or on manufactured cotton goods, or on anything else that the Senator can conjure up. The Senator's whole argument proceeds upon the idea that God divided this world into a lot of tribal relations, and that each tribe, carrying on its tribal relations, has to fight the balance of the world, industrially and otherwise. That is not true. That is neither the doctrine of God nor the doctrine of philosophy. Men were created by the Almighty and live now for the purpose of keeping in amity with one another, and not for the purpose of keeping in animosity to one another. Industrial hostility is just one measure short of naval and military hostility. You will never have peace in the world until you cease both forms of warfare. You might just as well have a tribal god, as the Germans had, and talk about "unser Gott," our God, as if God were peculiar to the German people, as to talk about defying the eternal laws of supply and demand to suit the tribal relation, to suit the so-called national interest.

There is but one excuse, Mr. President, for a purely protective policy, independently of the question of revenue raised by taxation, and that is the principle that John C. Calhoun laid down long ago—and I am willing to go to that limit—that it is justified whenever it is necessary to produce a given article in order to maintain national military defense; and in Calhoun's day that amounted to hemp and cordage and ships. In my day it amounts to chemical dyes and a few other things that are mostly allied to explosives useful in warfare. As to them it is justifiable upon the ground that the tribe or the nation, in its broader sense, may be compelled at some time to defend itself from foreign military attacks, and it must have the means wherewith to defend itself.

There is no other excuse for pure protectionism—and, mark you, I do not call it "protection"; it is protectionism. That is its proper name, its right name.

Moreover, Mr. President, no man standing on his two feet anywhere in the world, whether he is speaking as an individual or a Representative or a Senator or a member of an executive administration or a Cabinet officer, has any right to demand in the shape of law any special privilege of any description. All he has a right to demand is that he shall be allowed a fair opportunity, an equal opportunity, fair play for himself as a man, whether speaking individually in his own country or whether speaking as a citizen of his country as against other countries, and he has no other right in the world.

I absolutely eschew the idea that any man has the right to return robbery with robbery, with the hope of making an equal benefit.

Mr. McLEAN. Mr. President, it cost us \$30,000,000,000 to win the war against Germany in direct expense.

Mr. WILLIAMS. It cost us more than that.

Mr. McLEAN. Then we must add to that the interest on the funded and floating debt, which will amount to probably twenty billion more. We must add to that the indirect cost which the American people must suffer during the reconstruction period. That will amount to probably as much more. So we can estimate the cost of the war at between seventy and ninety billion dollars. It cost us that to save our political life.

Mr. WILLIAMS. Our political life?

Mr. McLEAN. Yes; our political independence.

Mr. WILLIAMS. You mean our national life?

Mr. McLEAN. Yes. Does not the Senator think it is worth while now to preserve the domestic life of the Nation, the industrial life of the Nation?

Mr. WILLIAMS. Mr. President, I would be a mere idiot if I answered that question in the negative. Of course, it is always worth while to save the national life of a people. It is always worth while to save the industrial life of a people, because upon that depends the national life. But the Senator is playing upon an ambiguous middle, to express myself in the phraseology of the old logicians. The Senator wants to tax the American people a sufficient amount of money to recompense the same American people for what they have lost in the war. Is that what he is up to?

Mr. McLEAN. No.

Mr. WILLIAMS. Then what is it?

Mr. McLEAN. I want to tax the American people whatever may be necessary to preserve the industrial prosperity of the Nation, and I want to say to the Senator that it will be worth all that it costs. Honor and liberty and independence are essential; they are nice to have; but they do not pay grocery bills, they do not buy raiment or shelter, and if it is necessary to tax the American people in order to preserve profitable employment for the American people, I think the sum well expended.

Mr. WILLIAMS. Mr. President, I understand the Senator now to plant himself upon the idea that the advocacy of this bill is for the purpose of maintaining the liberty and independence—and what else was it of the American people?

Mr. McLEAN. That it cost us something like \$80,000,000,000 to preserve our political life and independence; and that now it is worth while, possibly, to spend a few million dollars to preserve the industrial life of the Nation.

Mr. WILLIAMS. I see. Now, Mr. President, as I understand the Senator, this bill is to preserve our liberty and our independence and our industrial life.

Mr. McLEAN. No; the Senator does not understand me. We have saved our political independence. Now the question comes as to what is going to happen to our industrial life, and I have suggested to the Senator that it might be worth while to save that.

Mr. WILLIAMS. I think so, too. Mr. President, if I were not confident that the American people were intelligent enough and already free enough to save their industrial life, I would sympathize very freely with the Senator from Connecticut, and I would, furthermore, go a step further, and I would try to elect a Czar or somebody who could take care of the American people. As I understand it now, the object of this bill is to save our liberty and our industrial independence. Our territorial independence is now out of the question, as I understand, by the Senator's admission. So we are now going to save our liberty.

Mr. President, was there ever uttered, in an august body, a sentence quite equal to a sentence in advocacy of an emergency tariff bill that sounded in terms of saving our independence and our industrial life?

Mr. President, what is the industrial life of the American people? Is it a thing to be secured by legislation?

Mr. McLEAN. It is profitable employment.

Mr. WILLIAMS. Is it a thing that is created by legislation? Is it a thing to be perpetuated by legislation?

Is it a thing for politicians to play with on the floor of the House of Representatives or the Senate? What is the industrial life of the Nation? It is the industry of the Nation; it is the savings of the Nation; it is the high moral purpose of the Nation and of all the people, men and women, coming together, who form the Nation. And is all this dependent upon an emergency tariff bill? Does the Senator mean to tell me that the American people, with their wonderful industry, their still more wonderful intelligence, and still more wonderful, if possible, skill, in their various pursuits, can not create and perpetuate an industrial life for themselves independent of the legislation of the ambassadors of the States gathered together in the Senate of the United States?

Mr. McLEAN. Mr. President—

The PRESIDING OFFICER. Does the Senator from Mississippi yield to the Senator from Connecticut?

Mr. WILLIAMS. I yield.

Mr. McLEAN. The Senator is absolutely correct in his theory of a revenue tariff. There is no question about that. Free trade, or a revenue tariff, is the golden rule of trade, just as the injunction that we should love our neighbors as we love ourselves is the golden rule in the very highest conception of moral philosophy. But the Senator knows we can not have a literal application of either rule. When Germany smote us on the right cheek with her submarine torpedo we did not turn

the left. We could not do it, because we all know that when the right ceases to resist the assaults of evil, the right itself ceases to exist.

We have spent billions and billions of dollars to defend our honor, our independence, our national integrity. Now what have we to face? I confess no man knows, but we must protect our industries against ruinous competition.

Mr. WILLIAMS. I will tell the Senator what we have to face.

Mr. McLEAN. Wait just one minute. If the Senator will permit me to conclude my thought I will conclude my reply very shortly. The Senator belongs to the Cobden school; his notions are British notions about this matter.

Mr. WILLIAMS. My notions British notions? Bless your dear heart, my ancestors fought the British before yours came here.

Mr. McLEAN. On the question of free trade. Sir Robert Horne, who is president of the British Board of Trade, delivered an address the other day in which he said that if Great Britain purchased of Germany anything other than the raw materials which they did not provide at home it meant disaster to British industry.

Mr. WILLIAMS. Mr. President, that reminds me of the Sunday school boy who was asked where Pharaoh's daughter found Moses, and when he said he did not know, his Sunday school teacher told him that she found him in the bullrushes down along the Nile, and he said, "That's what she said." That may be what that Britisher told you, but that is not true, and it never was true since the world began.

Mr. President, the Senator tells me that the golden rule and free trade and a tariff for revenue are all right in theory, but that they are all wrong in practice. I would like to tell the Senator something which perhaps he will take the trouble to write down and memorize later on, and if he does he will be a very much superior representative as an ambassador of a sovereign State in this august body. It is that there never was a practicable and a working practice without a sound theory, and there never was a sound theory whose following out did not result in a practical working basis. Anything else than that is absolutely unscientific, is absolutely unstatesmanlike.

When I go back to fundamental principles, as I love to go, and when Senators tell me that it is theory, then I ask them to expose the fallacy of the theory. But when they admit that the theory is all right, then they must admit that the practical outflowing and sequentia of the theory must be all right also. God has made but one law for the world, moral or industrial. It is all founded upon a great general principle, a theory, if you please. Call those who believe in it theorists, if you would, but there is no working out of any sort of governing machine except from a sound and true theory. So whenever anybody admits the theory, he admits all the sequela. So the Senator has admitted the theory, and that ends it as far as this goes.

Now, to come back to the details of the bill, how is a man from Dakota ever going to get even with a man from North Carolina or Massachusetts by coupling one robbery with another? When a man gets up here, as the Senator from North Dakota says he does, for the purpose of equalizing a robbery, then he should equalize the robbery by repealing the former robbery. If you are honest, that is what you will do; I mean honest intellectually; I do not mean honest personally. Men are frequently honest personally who profess the most divergent views. I have a good wife, for example, who believes one is saved by faith alone in the Presbyterian Church, but still she insists that I shall have good works every day in the world.

There is a lot of logic about this thing, understand, but leaving that question out, how can a man be intellectually and logically honest when he publicly confesses that all he wants to do is to counteract one robbery by another? Why not do away with the first robbery?

Now, it is eternally and fundamentally true that no class of men have a right to prostitute the legislation of a country in order to put money into their pocketbooks, to prostitute the taxing power of the country in order to make private profit. There is no getting around that. We have gradually approached the point where protection must fall because we have gotten to a point where agriculture is fighting the manufactures. Whenever agriculture succeeds in putting a supertax upon foodstuffs and textile products to supply the bellies and the backs of mankind, then the balance of the world will rise up in their strength, as they did in Great Britain against the corn laws, and will not only destroy the emergency tax bill, if it is ever put through, but will destroy the whole protective system, as it ought to do.

Mr. President, the Government possesses certain rights over the individual. This Government, of which I am a citizen,

possesses certain rights over me. It has the right to everything I am. It can order me, by draft, into action and have me shot, and it has a right to do it. It has the right not only to all I am, but it has the right as to all I have. If it is necessary for the protection of national independence or the national integrity or the national honor to take all that I own, the Government has the right to it. But the Government has not a right to one copper penny in my pocket for any other purpose in the world except for a governmental purpose. Except for national defense, whether of liberty or of independence or moral welfare, it has no right to that penny. Whenever the Government asks of me that penny for any other purpose than that, the Government becomes a tyrant and a robber. When the Government asks of me that penny in order that some one engaged in a private enterprise of some sort may continue in business or make his business more highly profitable than now, the Government is a highway robber, a thief, a tyrant. It is nothing less, for that penny belongs to me.

All I am and all I have belongs to the Government for governmental purposes, but nothing that I have belongs to the Government for any other purpose.

People raising long staple cotton come to me now, telling me that they and I can make a lot of money out of putting a tariff on Egyptian cotton. Why of course we can. There is no doubt about that. If we put a high enough tariff on it I will make from \$5 to \$10 or \$20 a bale, and pocket the proceeds. If we put a high enough tariff on bananas I can raise them in New Jersey at a dollar a banana, and raise them under glass, and some infernal fool will come along after a while and point to me and say, "This is a highly profitable industry, owing to protection. Here are several capitalists with several million dollars and here are twenty-odd thousand laborers employed at \$6 a day, created by protection." Profitable enterprise? Yes; profitable to the capital and to the labor perhaps engaged in it, but very unprofitable to the people who want to buy bananas. Bananas at that rate will cost about \$1.10 apiece, if the duty is \$1.

This all comes back to the moral question, after we are through with it. Are you willing to rob? Are you willing to prostitute the law for the benefit of your own pocketbook? If you are a gentleman, you are not willing to do it; if you are not a gentleman, you are. That is all there is to it. There is no other way out of it. I do not want a dollar that the American Government can give me by law in raising long staple cotton. When I said I did not want it, perhaps I was too strong in expression. Of course, I would like to have it, but I mean I am not willing to take it that way. That is not all. I am unwilling for my industry and for my children's industry and my grandchildren's industry to rest upon the problematical profits of an industry that is subject to the whims and caprices and fancies of a lot of politicians in the two Houses at Washington. If I knew that I could make \$10 a bale on every bale of cotton that I raised, and if I were immoral enough to be willing to take it in that way by the prostitution of the public law, I would, as a man looking to the welfare of my children, still be unwilling to take it in that way, because I would be unwilling to have them engaged in an industry whose prosperity depended upon legislation at Washington.

Mr. SIMMONS. I should have said in the statement which I made a few moments ago, giving some statistics with reference to butter, cheese, and condensed milk, that the figures were for the fiscal year 1920, which ended on the 30th day of June last. Up to that time, according to the figures which I gave, the excess of importations for that fiscal year of butter were just 3,000,000 pounds, so that during the fiscal year 1920 there were added by importations to the stock of butter in this country exactly 3,000,000 pounds, according to the official statistics.

Mr. THOMAS. That would not last the city of New York more than a day.

Mr. SIMMONS. As the Senator from Colorado [Mr. THOMAS] suggests, that would not last the city of New York for more than a day.

I have not the figures as to the production of butter for the year 1920, but I have the figures as to the production of butter for the year 1910—10 years ago. I assume it is very much more now than it then was. The production of butter in this country in 1910 was 1,619,000,000 pounds. Assuming that our production of butter last year was only that amount, there was added to that stock of butter, by reason of the importations of butter in 1920, 3,000,000 pounds in excess of the exports.

The Senator from North Dakota says that since the 1st of July of this year there have been enormous importations of butter from Denmark and that those importations have been so great as to endanger the butter industry in this country to the extent that it is now necessary for us to increase the present

duty on butter 300 per cent. Mr. President, there was some investigation before the Finance Committee of the Senate with reference to the alleged influx of Danish butter. Some gentlemen came to us, as is usual when a little more butter or a little more of any other product is coming into the country than normally, with a great scare story—"The importations of butter pouring into this country from Denmark are so great that it is likely to reduce the price of the 1,600,000,000 pounds of butter which we produce in this country," to the detriment and ruin of the domestic producers.

I was present when those witnesses were testifying and I took occasion to ask them some questions. My impression from what I heard was that probably there had been enough butter imported from Denmark to last the city of New York about 30 days—for not exceeding 30 days, crediting their whole story—and that it would not, if their story was true, add to the surplus stock in this country exceeding twenty-five or thirty million pounds. What are 30,000,000 pounds of butter brought in from abroad compared with an annual production of 2,000,000,000 pounds? Is that any reason for this great increase in the duty on butter? Does any Senator of ordinary intelligence in this body believe if 30,000,000 or even 50,000,000 pounds of butter are added from abroad to our stock of practically 2,000,000,000 pounds that it will affect the market price of butter and make it necessary for us in the interest of the home product practically to exclude all further importation?

The truth is about this: These industries are constantly on the lookout for importations, and where importations a little out of the ordinary take place they rush, when the Republican Party is in power, to Congress and ask for additional duties in order to exclude the product from this country. If it be necessary to protect this country from the importations from abroad, then I shall not quarrel with the Senators on the other side of the Chamber if they increase the duty, because I know that is in accordance with their theory of protection and what the American producer is entitled to; but I insist that when an insignificant amount of a product compared with its production here is coming into this country, although it may be increased in some one year a little above normal, that does not constitute a reason for coming to Congress and asking for a duty that will operate as practically an embargo.

This proposed duty of 8 cents a pound would be prohibitive. Nobody contends that Danish butter can be sold in this market in competition with American butter after paying 8 cents a pound duty. I inquired of one of the witnesses who came before our committee if the Danish butter was sold any cheaper than American butter could be sold. He said, "Yes; it sold in New York somewhat cheaper than American butter." I asked him, "Why? Was it because labor is cheaper in Denmark?" He said, "Yes, in part; and labor was cheaper in Denmark than in the United States." I asked him how about cost of feed products for the milk cattle, comparing the Denmark cost. The answer was that he did not know exactly the difference in the cost of feed products, but he said that Denmark purchased a large part of these feedstuffs from the United States.

Mr. STANLEY. Mr. President—

The PRESIDING OFFICER. Does the Senator from North Carolina yield to the Senator from Kentucky?

Mr. SIMMONS. I yield.

Mr. STANLEY. At the time feed products were being derived from the distillation of spirits the great bulk of that dried feed, dried slops, was shipped from this country to Denmark to feed Danish dairy cows, as well as enormous quantities of ship stuff, bran, and other mill products.

Mr. SIMMONS. Then the proposition is that we can not compete in milk and butter products with a foreign country that has to come to our very doors to get feed for their cattle that produce the milk. The contention, Mr. President, is preposterous. I do not wish to elaborate my argument; I do not wish to discuss this question because I am anxious that we may vote upon the amendments or upon as many of them as possible this afternoon. I desire to state to the Senate that we have entered into an agreement—a gentleman's agreement, I suppose it would be called—with the Senators on the other side that we are to have a vote on this measure to-morrow; but if we take up too much time in the discussion of the amendments we will not have opportunity to discuss the main provisions of the bill.

Mr. GRONNA. Mr. President—

The PRESIDING OFFICER (Mr. KING in the chair). Does the Senator from North Carolina yield to the Senator from North Dakota?

Mr. SIMMONS. I will yield in a moment.

So far we have been dealing only with amendments. After we get through with the amendments there will necessarily be some general discussion as to the items in the House bill

that are not covered by the amendments. I hope we may proceed and be able to vote upon most of the amendments this afternoon.

Mr. GRONNA. May I ask the Senator a question now?

Mr. SIMMONS. Yes.

Mr. GRONNA. Has the Senator in mind the exportation of butter from various countries? I do not mean for a late period of years, but say, from 1910.

Mr. SIMMONS. Does the Senator mean our exportations?

Mr. GRONNA. No; I mean the exportation of butter from various foreign butter-producing countries. I have a document here which I think is germane to the Senator's statement.

Mr. SIMMONS. No; I will state to the Senator I do not know how much butter the various butter-producing countries export to the world at large, but I do know how much they export to the United States, or how much they exported to the United States during the fiscal year 1920. I have given those statistics taken from Government reports.

Mr. GRONNA. Will the Senator permit me to insert a brief statement taken from the "Summary of Tariff Information, 1920"?

Mr. SIMMONS. Yes; I wish to say to the Senator, however, that so far as butter is concerned, we have never been a large importer of butter.

Mr. GRONNA. No.

Mr. SIMMONS. I think a little more has come in during the present fiscal year than is normal.

Mr. GRONNA. But just to show what a tremendous factor a little country like Denmark is, and other countries, I want to be permitted to read just a few lines from this report.

Mr. SIMMONS. I do not think, if the Senator will pardon me, that we have been heretofore getting much butter from Denmark. My impression from what I have heard is that probably Great Britain controls a large part of the output of the Danish butter industry, and that the importations into the United States really come through Great Britain. Great Britain is doing that because she is pressed to get means with which to pay for the things which she is buying from us, and wherever she can get something that she can send over here and sell to us to help pay for the enormous quantity of goods that she is buying from us in excess of what she sells us, she does it, of course.

Mr. GRONNA. I find on page 314 of the Summary of Tariff Information for 1920 the following:

From 1909 to 1913 this country ranked twelfth among exporting countries. Denmark averaged 195,530,000 pounds; Russia, 150,294,000 pounds—

Mr. SIMMONS. The Senator does not mean to say that those countries have been heretofore exporting to this country any large amount of butter, does he?

Mr. GRONNA. I could give the Senator the amount which has been imported into this country, but I am trying to show the possibility of other nations supplying this country with butter at lower prices, perhaps, than those for which the dairymen of this country can produce it.

Mr. SIMMONS. That possibility has existed for the last 10 or 20 years, but it has been a mere possibility during all those years. That possibility can always exist as to almost any commodity that is produced in large quantities in any other country.

Mr. GRONNA. I should like to be permitted to finish this short paragraph. I stopped with Russia, I believe—

Australia, 77,859,000 pounds; the Netherlands, 75,133,000 pounds; and the United States, 4,125,000 pounds.

The figures represent the average per year of the various countries named for the four years indicated.

Mr. SIMMONS. Most of the butter produced by Denmark has heretofore been exported to Great Britain. I do not think we have heretofore been buying any considerable quantity of butter from Denmark. We are buying more than usual from Denmark at the present time.

Mr. McCUMBER. Mr. President, the Senator just made a suggestion about trying to get through with the amendments to-day.

Mr. SIMMONS. Yes.

Mr. McCUMBER. I know that there will be considerable discussion of the amendments which will be offered to-morrow, and I wish to avoid holding a night session to-morrow night, because of the difficulty of keeping a quorum.

Mr. SIMMONS. I am in hearty sympathy with the Senator as to that.

Mr. McCUMBER. I think if we continue until 7 o'clock this evening that we can then be sure to get through some time to-morrow afternoon without holding a night session to-morrow.

Mr. SIMMONS. I had understood that it was the purpose of the Senator to hold the Senate together until 7 o'clock tonight.

Mr. McCUMBER. Yes. I think that will be agreeable to both sides.

Mr. SIMMONS. Yes.

Mr. McKELLAR. Mr. President, the State from which I come, Tennessee, is the largest dairying State in what is known as the South; of course, exclusive of Texas. Dairying is a great industry in our State. Its growth in the last few years under the present tariff law has been remarkable. It is a growth of which we are very proud. I do not see how we could have increased our dairying interest any faster than we have under the present law.

I have here some statistics that I should like to give to the Senate as to the increase in the dairying interest in Tennessee under the present law, without any additional tariff tax:

TENNESSEE LED AS DAIRY STATE—6,028,000 POUNDS OF BUTTER MADE IN 1920, GAIN OF 58 PER CENT.

Tennessee leads all southern States in dairy industry, according to C. A. Hutton, dairy specialist of the division of extension, University of Tennessee.

During the year 1920, 8 new creameries began operation in Tennessee, making a total of 26 in operation. Approximately 6,028,000 pounds of butter was made in the State during the year as compared with 3,882,634 pounds in 1919, or an increase for 1920 over 1919 of 58 per cent. The 9 cooperative creameries made approximately 2,328,000 pounds of butter during the year, or 38 per cent of the total made in the entire State. Creamery patrons received in round numbers \$2,893,000 for butter fat for the 1920 output. Seven of the cooperative creameries handled 1,747 tons of feed for their patrons at a saving of \$10,552.

Eight cooperative cheese factories are now in operation and 75,000 pounds of cheese were manufactured during 1920. These factories are laying the foundation for a new industry in the South.

Over 8,000 head of Jersey cattle were exported from the State during the year for breeding and dairy purposes. The number of dairy cows in Tennessee has increased from 397,164 in 1910 to 415,129 in 1920. A total of 250 cows from 50 Jersey herds are on the register-of-merit test. Tennessee leads all southern States in number of cows on test, as well as being the greatest dairy State in the South.

I desire to read the following article from the Nashville Banner:

TENNESSEE CREAMERIES.

In another column on this page is printed a table showing the amount of creamery butter that was manufactured during the past four years by the creameries of Tennessee. The figures show a very gratifying growth in the creamery industry. The total production in 1917 was 1,666,713 pounds. In 1920 it was 6,223,725 pounds. In other words, the production multiplied nearly fourfold in four years.

Yet the dairy industry in the State is only in the beginning of its development, and what is now being done is only a suggestion of its possibilities.

The present State dairy commissioner, Mr. W. T. Magruder, jr., who has furnished the statistics here referred to, has been earnest and assiduous in his attention, not to the strict duties of his office alone, but in promoting an interest in dairy production. He has in this respect brought an intelligent enthusiasm to the administration of his office that has been profitable in creating a widespread interest in the industry.

Tennessee creameries will bear much more multiplication still, both in numbers and product. There will be always an ample market for all they may produce. The State, especially the central basin of Middle Tennessee, is admirably adapted to dairy production. Nashville has four creameries that the table published to-day shows are growing and increasing their product. One of them has recently greatly increased its facilities, and possibly the others will do likewise.

More creameries will require more dairy cattle, and Tennessee has for some years had a reputation for its Jersey herds.

The dairy industry furnishes a means by which the agricultural growth of the State can be greatly enhanced. Anything that will help the agricultural growth will add to the genuine prosperity, and the creamery industry should, therefore, be greatly encouraged. Its growth promises much for the State's progress.

Mr. President, if such a condition is true of all the States, if the butter interests and the dairying interests are increasing at the rate of 58 per cent all over the country—I have not the figures from other States; perhaps some are much larger, perhaps some are smaller—it does not seem to me that there is an emergency in the butter business and the dairying business. Why increase this tariff over 300 per cent on butter, with the dairying interest in the condition that is shown by this report from the State of Tennessee? I think an industry that is flourishing in the way that this industry is flourishing might well be content not to raise the price of butter to the American people.

Mr. McCUMBER. Mr. President, there is one feature of this matter of importations which Senators do not seem to take into consideration at all.

Let us assume that for all of the years prior to this great war there was no serious competition from Denmark; and during the war, of course, there could be no competition from anywhere. During this war we did not need protection against importations at all for anything that I can now recall, because it was so unsafe for any merchandise to come to this country that that of itself was a great protection; but this is the situation now, and I want Senators to look at it in that light:

On account, we will say, of the vast inflation of money in the United States, the doubling of the cost of labor in every productive field, the cost of production in the United States of a

pound of butter is, say, twice what it was before 1914. The prices, therefore, have to be twice as much as they were prior to 1914, in order to enable our people to make a living. Now, if the other countries of the world had found that their cost of production had increased to the extent of the increase in the cost of production in the United States, then the same condition would apply everywhere, and we would have no greater danger of excessive importations than we had prior to the war. As a matter of fact, however, while our cost of production has doubled and trebled, in many instances, the cost of production in Denmark and in those other countries is practically the same or very nearly the same now as it was prior to the war. The result is that our higher price opens up an enormous and valuable field for importations that did not exist prior to 1914. Therefore, in order to protect our industries, the products of which cost us twice as much as they did 5 or 8 or 10 years ago, we must necessarily have a greater protection if we are going to protect them at all. That is the reason why we are asking, as an emergency matter, a higher tariff than we had prior to this war.

Mr. McKELLAR. Mr. President, may I ask the Senator a question?

Mr. McCUMBER. Certainly.

Mr. McKELLAR. I have not the figures for the country at large as to increases or decreases in the dairying industry. Is the industry in the Senator's part of the country, in the Senator's State and in adjoining States, in a bad way, or is it like it is in my State, growing and improving and prosperous? What is its condition in North Dakota, for instance?

Mr. McCUMBER. It is not prosperous to-day. It is not prosperous anywhere to-day. Of course, we do not expect anything to be particularly prosperous just at present, with this peculiar condition.

Mr. McKELLAR. What are the figures? Has there been an increase or a decrease in the dairying interest in the Northwest for 1920?

Mr. McCUMBER. I think they have kept up very nearly to a normal condition; but just at the last of the year, since July, these vast importations have been coming in. The makers of butter all over the world have found our prices so much higher than their home prices that they now can come in and sell at a profit and still undersell the American producer. That is the situation in a nutshell, and now we are beginning to feel it. Now the importations are coming in, not 100 per cent greater, but several hundred per cent greater, than they have ever been before.

Mr. McKELLAR. Mr. President, I have had only one request for an increase in the tariff from my State, which, as I say, is a great dairying State; and therefore I take it from these figures which I have produced, and which have been sent to me, that the dairying interest in my State is certainly in a prosperous condition.

Mr. CALDER. Mr. President, out of order I ask unanimous consent to submit a Senate resolution inquiring of the State Department concerning the rumors in the newspapers of the organization of a commission to control the Cuban sugar crop. I ask unanimous consent for its present consideration.

Mr. JONES of Washington. I shall have to ask that the resolution go over.

Mr. CALDER. Then I will withdraw it.

The PRESIDING OFFICER (Mr. KING in the chair). Objection is made. The question is on the amendment of the committee, which will be stated by the Secretary.

The READING CLERK. On page 5, after line 16, it is proposed to insert:

21. Butter, and substitutes therefor, 8 cents per pound.

Mr. HARRISON. The yeas and nays have been ordered on that amendment, have they not?

The PRESIDING OFFICER. The Chair is advised that they have not been ordered.

Mr. HARRISON. I ask for the yeas and nays.

The yeas and nays were ordered, and the reading clerk proceeded to call the roll.

Mr. DILLINGHAM (when his name was called). I transfer my general pair with the senior Senator from Maryland [Mr. SMITH] to my colleague [Mr. PAGE] and will vote. I vote "yea."

Mr. EDGE (when his name was called). Having a general pair with the Senator from Oklahoma [Mr. OWEN], I withhold my vote.

Mr. KNOX (when his name was called). I transfer my pair with the senior Senator from Oregon [Mr. CHAMBERLAIN] to the senior Senator from Idaho [Mr. BORAH] and will vote. I vote "yea."

Mr. POMERENE (when his name was called). Again announcing my pair with the senior Senator from Iowa [Mr.

CUMMINS], I transfer that pair to the senior Senator from Tennessee [Mr. SHIELDS] and will vote. I vote "nay."

Mr. WILLIAMS (when his name was called). I transfer my general pair with the senior Senator from Pennsylvania [Mr. PENROSE] to the senior Senator from Texas [Mr. CULBERSON] and will vote. I vote "nay."

Mr. WOLCOTT (when his name was called). I transfer my pair with the Senator from Indiana [Mr. WATSON] to the Senator from Nevada [Mr. PITTMAN] and will vote. I vote "nay."

Mr. FERNALD. I have a pair with the junior Senator from South Dakota [Mr. JOHNSON]. On this question I understand that he would vote as I shall vote. I therefore feel at liberty to vote. I vote "yea."

Mr. LODGE. I have a general pair with the senior Senator from Georgia [Mr. SMITH]. I think he has not voted.

The PRESIDING OFFICER. The Chair is advised that that Senator has not voted.

Mr. LODGE. I transfer that pair to the junior Senator from Maryland [Mr. FRANCE], and will vote. I vote "yea."

Mr. HARRISON. I desire to announce that the senior Senator from Alabama [Mr. UNDERWOOD] is unavoidably absent. He is paired with the junior Senator from California [Mr. JOHNSON]. If the senior Senator from Alabama were present he would vote "nay."

I also desire to announce that the senior Senator from Nevada [Mr. PITTMAN] and the senior Senator from Oklahoma [Mr. GORE] are absent on official business.

Mr. FRELINGHUYSEN. I have a general pair with the junior Senator from Montana [Mr. WALSH]. I transfer that pair to the junior Senator from South Dakota [Mr. JOHNSON], and will vote. I vote "yea."

Mr. SUTHERLAND (after having voted in the affirmative). I have a general pair with the senior Senator from Kentucky [Mr. BECKHAM]. I transfer that pair to the junior Senator from Iowa [Mr. KENYON], and will allow my vote to stand.

Mr. SMITH of South Carolina (after having voted in the negative). I understand from the calling of the roll that the senior Senator from South Dakota [Mr. STERLING] has not voted. I have a general pair with that Senator, which I transfer to the senior Senator from Arizona [Mr. ASHURST], and will allow my vote to stand.

The result was announced—yeas 39, nays 20, as follows:

YEAS—39.

Ball	Frelinghuysen	Knox	Polindexter
Brandeggee	Gay	La Follette	Ransdell
Calder	Gooding	Lenroot	Sheppard
Capper	Gronna	Lodge	Smoot
Colt	Hale	McCumber	Spencer
Curtis	Jones, N. Mex.	McLean	Sutherland
Dillingham	Jones, Wash.	McNary	Wadsworth
Elkins	Kellogg	Moses	Warren
Fall	Kendrick	New	Willis
Fernald	Keyes	Phipps	

NAYS—20.

Dial	Heflin	Reed	Thomas
Fletcher	King	Simmons	Trammell
Gerry	Kirby	Smith, S. C.	Walsh, Mass.
Harris	McKellar	Stanley	Williams
Harrison	Pomerene	Swanson	Wolcott

NOT VOTING—37.

Ashurst	Henderson	Overman	Smith, Ga.
Beckham	Hitchcock	Owen	Smith, Md.
Borah	Johnson, Calif.	Page	Sterling
Chamberlain	Johnson, S. Dak.	Penrose	Townsend
Culberson	Kenyon	Phelan	Underwood
Cummins	McCormick	Pittman	Walsh, Mont.
Edge	Myers	Robinson	Watson
France	Nelson	Sherman	
Glass	Newberry	Shields	
Gore	Norris	Smith, Ariz.	

So the amendment of the committee was agreed to.

The PRESIDING OFFICER. The Secretary will state the next amendment.

The ASSISTANT SECRETARY. The next amendment of the committee will be found on page 5, line 18. The figure "22" should be "21," and the amendment reads:

21. Cheese, and substitutes therefor, 8 cents per pound.

Mr. SIMMONS. I ask for the yeas and nays.

Mr. McLEAN. I move to amend the rate on cheese to an ad valorem equivalent of the specific duty, which will make it 23 per cent ad valorem, instead of 8 cents per pound.

The PRESIDING OFFICER. The Senator from Connecticut moves to amend the committee amendment by striking out, on page 5, line 18, "8 cents per pound" and inserting in lieu thereof "23 per cent ad valorem."

Mr. HARRISON. May I ask the Senator if he has figured out whether the 23 per cent ad valorem would be less than 8 cents per pound?

Mr. McLEAN. The exact equivalent would be 23.2 per cent.

Mr. HARRISON. What is the object of the amendment, then, if there is no difference in the rate?

Mr. McLEAN. There are so many varieties of cheese that it was deemed wiser on the part of parties interested in this schedule to specify an ad valorem rate, as it is in the existing tariff law. I think it is 20 per cent ad valorem in the existing law.

Mr. HARRISON. Will this help the producer or the consumer, may I ask the Senator from Connecticut?

Mr. McLEAN. Both.

The PRESIDING OFFICER. The question is on the amendment to the amendment.

The amendment to the amendment was agreed to.

The PRESIDING OFFICER. The question now is upon agreeing to the committee amendment as amended, and upon that the Senator from North Carolina has demanded the yeas and nays.

The yeas and nays were ordered, and the reading clerk proceeded to call the roll.

Mr. EDGE (when his name was called). I transfer my general pair with the junior Senator from Oklahoma [Mr. OWEN] to the junior Senator from Vermont [Mr. PAGE] and vote "yea."

Mr. GLASS (when his name was called). Making the same announcement that I made on the last vote, I transfer my pair with the senior Senator from Illinois [Mr. SHERMAN] to the senior Senator from Nebraska [Mr. HITCHCOCK] and vote "nay."

Mr. KNOX (when his name was called). Repeating the statement I made on the last vote as to my pair and its transfer, I vote "yea."

Mr. LODGE (when his name was called). Making the same transfer that I made before, I vote "yea."

Mr. POMERENE (when his name was called). Again announcing my pair with the senior Senator from Iowa [Mr. CUMMINS], I transfer that pair to the senior Senator from Tennessee [Mr. SHIELDS] and vote "nay."

Mr. SUTHERLAND (when his name was called). Making the same announcement as before as to my pair and its transfer, I vote "yea."

Mr. WOLCOTT (when his name was called). I transfer my pair with the senior Senator from Indiana [Mr. WATSON] to the Senator from Nevada [Mr. PITTMAN] and vote "nay."

Mr. SMITH of South Carolina (after having voted in the negative). I failed to announce that my pair, the senior Senator from South Dakota [Mr. STERLING] is absent, and, making the same transfer that I made before, I allow my vote to stand.

Mr. WILLIAMS. I have a pair with the senior Senator from Pennsylvania [Mr. PENROSE], which I transfer to the senior Senator from Texas [Mr. CULBERSON] and vote "nay."

Mr. FERNALD. I have a general pair with the junior Senator from South Dakota [Mr. JOHNSON], which I transfer to the senior Senator from Minnesota [Mr. NELSON], and vote "yea."

Mr. WARREN. Has the junior Senator from North Carolina [Mr. OVERMAN] voted?

The PRESIDING OFFICER. He has not.

Mr. WARREN. I withhold my vote, as I have a general pair with that Senator.

Mr. SMOOT. I desire to announce the unavoidable absence of the senior Senator from Michigan [Mr. TOWNSEND]. He has a general pair with the senior Senator from Arkansas [Mr. ROBINSON].

Mr. HARRISON. I desire to announce that the Senator from California [Mr. JOHNSON] is paired with the Senator from Alabama [Mr. UNDERWOOD].

The result was announced—yeas 36, nays 20, as follows:

YEAS—36.

Ball	Gooding	La Follette	Phipps
Brandeggee	Gronna	Lenroot	Polindexter
Capper	Hale	Lodge	Ransdell
Colt	Jones, N. Mex.	McCumber	Sheppard
Curtis	Jones, Wash.	McLean	Smoot
Edge	Kellogg	McNary	Spencer
Elkins	Kendrick	Moses	Sutherland
Fernald	Keyes	New	Wadsworth
Gay	Knox	Phelan	Willis

NAYS—20.

Dial	Harrison	Pomerene	Thomas
Fletcher	Heflin	Reed	Trammell
Gerry	King	Simmons	Walsh, Mass.
Glass	Kirby	Smith, S. C.	Williams
Harris	McKellar	Stanley	Wolcott

NOT VOTING—40.

Ashurst	Culberson	Frelinghuysen	Johnson, S. Dak.
Beckham	Cummins	Gore	Kenyon
Borah	Dillingham	Henderson	McCormick
Calder	Fall	Hitchcock	Myers
Chamberlain	France	Johnson, Calif.	Nelson

Newberry
Norris
Overman
Owen
Page

Penrose
Pittman
Robinson
Sherman
Shields

Smith, Ariz.
Smith, Ga.
Smith, Md.
Sterling
Swanson

Townsend
Underwood
Walsh, Mont.
Warren
Watson

McCumber
McLean
McNary
Moses

New
Phipps
Poindexter
Ransdell

Sheppard
Smoot
Spencer
Sutherland

Wadsworth
Willis

So the amendment of the committee as amended was agreed to.

Mr. JONES of Washington. Mr. President, I desire to state on the last vote I voted, but I understand that the senior Senator from Virginia [Mr. SWANSON], with whom I am paired, did not vote. He voted on the previous roll call and I supposed he was still here. I deemed it proper that I should make this statement.

The PRESIDING OFFICER. The Secretary will state the next amendment.

The ASSISTANT SECRETARY. The next amendment of the committee is on page 5, line 19, the numerals "23" should be "22," and the amendment proposes to insert the following:

22. Milk, fresh, 2 cents per gallon; cream, 5 cents per gallon.

The PRESIDING OFFICER. The question is on agreeing to the committee amendment 23.

Mr. HARRISON. Mr. President, the Senator from Idaho [Mr. BORAH] had an amendment to this subdivision to strike it out. He is not here. On agreeing to the committee amendment I ask for the yeas and nays.

The yeas and nays were ordered.

Mr. BRANDEGEE. What is the pending question?

The PRESIDING OFFICER. The Chair is advised that we are about to vote on adopting the committee amendment numbered 23, which is now numbered 22.

Mr. POINDEXTER. Something was said by the Senator from Mississippi about a motion to strike it out. Is the vote to be taken upon a motion to strike it out or upon the committee amendment?

The PRESIDING OFFICER. The question is on agreeing to the committee amendment. The Secretary will call the roll.

The reading clerk proceeded to call the roll.

Mr. FERNALD (when his name was called). Making the same announcement as before, I vote "yea."

Mr. GLASS (when his name was called). Making the same announcement as upon the previous vote, I vote "nay."

Mr. LODGE (when his name was called). Making the same announcement of my pair and its transfer as before, I vote "yea."

Mr. POMERENE (when his name was called). Again announcing my pair with the senior Senator from Iowa [Mr. CUMMINS], and the transfer of that pair to the senior Senator from Tennessee [Mr. SHIELDS], I vote "nay."

Mr. SMITH of South Carolina (when his name was called). Making the same announcement as before, I vote "nay."

Mr. WILLIAMS (when his name was called). I transfer my pair with the senior Senator from Pennsylvania [Mr. PENROSE] to the senior Senator from Texas [Mr. CULBERSON] and vote "nay."

Mr. WOLCOTT (when his name was called). I transfer my pair with the Senator from Indiana [Mr. WATSON] to the Senator from Nevada [Mr. PITTMAN] and vote "nay."

Mr. KNOX. I again announce my pair with the senior Senator from Oregon [Mr. CHAMBERLAIN]. Being unable to obtain a transfer, I withhold my vote.

Mr. JONES of Washington (after having voted in the affirmative). I have agreed to take care of the Senator from Virginia [Mr. SWANSON] with a pair for the day. Being unable to obtain a transfer of that pair, in his absence I withdraw my vote.

Mr. WARREN. I am paired with the Senator from North Carolina [Mr. OVERMAN]. In his absence, I withhold my vote.

Mr. SUTHERLAND. Making the same announcement that I did before with reference to my pair, I transfer my pair to the Senator from Vermont [Mr. PAGE] and vote "yea."

Mr. TOWNSEND. I have a pair with the senior Senator from Arkansas [Mr. ROBINSON]. In his absence, I withhold my vote.

Mr. CURTIS. I desire to announce the following pairs:
The Senator from Illinois [Mr. MCCORMICK] with the Senator from Nevada [Mr. HENDERSON];

The Senator from California [Mr. JOHNSON] with the Senator from Alabama [Mr. UNDERWOOD]; and

The Senator from Vermont [Mr. DILLINGHAM] with the Senator from Maryland [Mr. SMITH].

The result was announced—yeas 34, nays 21, as follows:

YEAS—34.

Ball
Brandeggee
Calder
Capper
Colt

Curtis
Elkins
Fernald
Gay
Gooding

Gronna
Hale
Jones, N. Mex.
Kellogg
Kendrick

Kenyon
Keyes
La Follette
Lenroot
Lodge

Borah
Dial
Fletcher
Gerry
Glass
Harris

Harrison
Hefflin
King
Kirby
McKellar
Phelan

Pomerene
Reed
Simmons
Smith, S. C.
Thomas
Trammell

Walsh, Mass.
Williams
Wolcott

NAYS—21.

NOT VOTING—41.

Ashurst
Beckham
Chamberlain
Culbertson
Cummings
Dillingham
Edge
Fall
France
Frelinghuysen
Gore

Henderson
Hitchcock
Johnson, Calif.
Johnson, S. Dak.
Jones, Wash.
Knox
McCormick
Myers
Nelson
Newberry
Norris

Overman
Owen
Page
Penrose
Pittman
Robinson
Sherman
Shields
Smith, Ariz.
Smith, Ga.
Smith, Md.

Stanley
Sterling
Swanson
Townsend
Underwood
Walsh, Mont.
Warren
Watson

So the committee amendment was agreed to.

Mr. McCUMBER. Mr. President, I think we want to get through with the committee amendments this afternoon. Our quorum seems to be rather diminishing. Therefore I move at this time that when the Senate takes a recess to-day it shall be to meet at 11 o'clock to-morrow morning.

The motion was agreed to.

The PRESIDING OFFICER. The next amendment will be stated.

The ASSISTANT SECRETARY. The next amendment of the committee is No. 24, inserting lines 21, 22, and 23, on page 5, which should be numbered 23, as follows:

23. Milk, preserved or condensed, or sterilized by heating or other processes, including weight of immediate coverings, 2 cents per pound; sugar of milk, 5 cents per pound.

Mr. SIMMONS. On this question I ask for the yeas and nays. The yeas and nays were ordered.

Mr. REED. Mr. President, I wish to inquire how long it is intended to keep the Senate in session?

Mr. McCUMBER. I think we can get through with the committee amendments in a few minutes.

Mr. REED. How many more of them are there?

Mr. McCUMBER. I expect then to ask for a recess. I think we can get through certainly before 7 o'clock.

Mr. REED. I have some remarks that I want to submit on the bill, and I think they will be very much shorter to-morrow morning than if they are made to-night. I have been at work in the Senate and in committee since early this morning, and I think it is high time for an adjournment or a recess.

Mr. SIMMONS. I will state to the Senator that I think there are only four or five more committee amendments. I do not imagine that it will take very long to dispose of them. Then there are a great many amendments offered upon the floor which will have to be taken up.

Mr. RANSDELL. I was just going to ask the Senator from North Dakota, in charge of the bill, if we would not have a chance to offer amendments that were not reported by the committee?

Mr. McCUMBER. As soon as we get through with the committee amendments, my expectation then was to give all day to-morrow to take up the other amendments and to finish the bill. I hope the Senator will allow us to get through with the committee amendments to-day. I will say frankly that the reason why I am desirous is because I think we all want to get through with the bill to-morrow, and I wish to get through with it without asking for a night session. We have all been working rather late.

Mr. REED. We might as well have a night session as to run until 7 o'clock. That is to all intents and purposes a night session. I am perfectly serious about the proposition. I want to make a few remarks on this buccaneering expedition before it is landed in port. I want to discuss the question before these amendments are disposed of. I think I can do it in a much shorter time to-morrow morning than I can now when I am very tired.

Mr. THOMAS. May I suggest to the Senator from North Dakota that we might take a recess until to-morrow morning at 10 o'clock?

Mr. McCUMBER. No; it would be impossible, as the Senator knows, to get a quorum here at that hour. I ask the Senator from Missouri if he can not go on this afternoon and discuss the amendments? I am exceedingly anxious to get through with the bill. I will say to the Senator if he does not want to continue his remarks longer than until 7 o'clock, I will move a recess at that time.

Mr. REED. I am not in such a hurry to pass the bill as is the Senator in charge of it. I see no occasion for keeping the Senate in session until supper time has passed. I think we ought to take an adjournment or a recess now. Some of us have work to do in committees to-morrow morning that is of great importance. I should like to have a reasonable amount of time to take up matters that have to be considered to-morrow in a committee of which I happen to be a member. I have tried to be in the Senate, but for three weeks have been kept constantly in attendance upon an investigation of importance before the Committee on Manufactures.

Before the bill comes to a final vote I want to have something to say upon it. I do not want ever to interfere with the Senator in charge of the bill. I think it wholly unkind, I will not say unwarranted, to try to hold the Senate here until 7 o'clock. The chickens of North Dakota will not suffer very greatly from competition with the pauper chickens abroad between now and to-morrow morning. There will be no great amount of consternation in the barnyards of North Dakota because some hen has cackled over in Europe or some rooster has crowed in Canada. It is suggested to me by the Senator from Colorado [Mr. THOMAS] that possibly there is fear that some of the milk we have been discussing this afternoon may sour between now and to-morrow morning. It must be remembered that if we do not get this tariff applied, possibly some of the calves of Europe may be deprived of their usual evening stipend by virtue of the fact that the milk is shipped over here for some American baby to drink. I do not think we will lose any great amount of time by allowing the bill to lie over until to-morrow morning.

I move that the Senate do now adjourn.

RECESS.

Mr. McCUMBER. Mr. President, will the Senator from Missouri withhold his motion for a moment?

Mr. REED. Yes.

Mr. McCUMBER. The Senate has just agreed to a motion that when the Senate takes a recess it shall be to meet at 11 o'clock to-morrow morning. As the Senator says he is not prepared and does not wish to go on in view of the lateness of the hour, will it be satisfactory to the Senator, then, that we recess now until to-morrow at 11 o'clock?

Mr. REED. Very well.

Mr. McCUMBER. Then I move that the Senate take a recess until to-morrow morning at 11 o'clock.

The motion was agreed to; and (at 6 o'clock and 15 minutes p. m.) the Senate took a recess until to-morrow, Wednesday, February 16, 1921, at 11 o'clock a. m.

HOUSE OF REPRESENTATIVES.

TUESDAY, February 15, 1921.

The House met at 11 o'clock a. m.

Rev. James Shera Montgomery, D. D., pastor of Calvary Methodist Episcopal Church, Washington, D. C., offered the following prayer:

Our Father which art in heaven, be our Father on earth, for it is so hard for us to be always wise. Breathe Thy benediction upon us, bear with our infirmities, and qualify us for excellency of service; through Jesus Christ our Lord. Amen.

The Journal of the proceedings of yesterday was read and approved.

CONTESTED ELECTION CASE, FARR AGAINST M'LANE.

Mr. DALLINGER. Mr. Speaker, I am instructed by the Committee on Elections No. 1 to submit the unanimous report of that committee in the contested election case of John R. Farr against Patrick McLane, tenth congressional district of the State of Pennsylvania.

Mr. McCLINTIC. Is this a unanimous report?

Mr. DALLINGER. Unanimous.

Mr. MANN of Illinois. Let us dispose of it.

Mr. DALLINGER. The gentleman from Pennsylvania [Mr. McLANE] desires to be present when it is acted on.

NO QUORUM.

Mr. McCLINTIC. I make the point of no quorum present. The SPEAKER. The gentleman from Oklahoma makes the point of no quorum present. It is clear that there is no quorum present.

Mr. MONDELL. I move a call of the House.

The motion was agreed to.

The SPEAKER. A call of the House is ordered. The Door-keeper will close the doors, the Sergeant at Arms will notify absentees, and the Clerk will call the roll.

The Clerk called the roll, when the following Members failed to answer to their names:

Andrews, Md.	Edmonds	Kennedy, Iowa	Rainey, Ala.
Andrews, Nebr.	Ellsworth	Kennedy, R. I.	Rainey, Henry T.
Ashbrook	Emerson	Kincheloe	Rainey, John W.
Bacharach	Evans, Nev.	Kitchin	Randall, Calif.
Baer	Ferris	Klecza	Riddick
Bell	Frear	Kreider	Riordan
Bland, Mo.	Gallagher	Langley	Robinson, N. C.
Brinson	Gallivan	Lea, Calif.	Rowan
Britten	Gandy	Leshner	Sanders, La.
Brooks, Pa.	Ganly	Loneragan	Sanford
Brumbaugh	Gard	McArthur	Scully
Burroughs	Godwin, N. C.	McDuffie	Sears
Campbell, Pa.	Goldfogle	McGlennon	Sells
Candler	Goodwin, Ark.	McKinlry	Small
Carew	Graham, Pa.	McLane	Smith, N. Y.
Clark, Fla.	Hamill	Maher	Snyder
Clark, Mo.	Harrison	Mann, S. C.	Stoll
Classon	Hayden	Mason	Strong, Pa.
Copley	Hays	Mead	Sullivan
Costello	Holland	Merritt	Thomas
Cullen	Houghton	Moon	Vare
Currie, Mich.	Hudspeth	Mooney	Venable
Dale	Hull, Iowa	Moore, Va.	Vestal
Davey	Hull, Tenn.	Morin	Watkins
Dempsey	Humphreys	Mudd	Whaley
Dickinson, Mo.	Husted	Nelson, Wis.	Wheeler
Donovan	James, Mich.	O'Connell	White, Me.
Dooling	Johnston, N. Y.	Patterson	Winslow
Doremus	Kahn	Pell	Wise
Doughton	Kelly, Pa.	Perlman	Woods, Va.
Eagle	Kendall	Phelan	Woodyard

The SPEAKER. On this call 304 Members have answered to their names. A quorum is present.

Mr. MONDELL. I move to dispense with further proceedings under the call.

The motion was agreed to.

HEALTH OF MEMBERS.

Mr. REED of New York. Mr. Speaker, I ask unanimous consent to proceed for one minute with reference to the health of the Members of the House.

The SPEAKER. The gentleman from New York asks unanimous consent to proceed for one minute. Is there objection?

There was no objection.

Mr. REED of New York. Mr. Speaker, I want to bring a matter to your attention which I think will be of interest to every man in this House. It is a lamentable fact that during this Congress we have had 14 deaths. To-day a small group of Congressmen have made arrangements with Walter Camp to speak at 7.30 to-night in the caucus room and give his famous lecture "The Daily Dozen." It is not necessary for me to enlarge upon the great work that he has done for the young manhood of this country, and the splendid work that he has recently done for the benefit of the boys in the Army. The men who called this meeting are Messrs. TILSON, TREADWAY, LONGWORTH, NEWTON, and BRITTEN. You and the members of your family are invited to attend the meeting. The fact that Mr. Camp will point out to you how you may keep physically fit ought to appeal to those of you who are interested in maintaining your health, mental vigor, and general efficiency.

Mr. YATES. Does this invitation include the ladies?

Mr. REED of New York. Yes; and the members of the family.

Mr. MAPES. At what time?

Mr. REED of New York. At 7.30 p. m.

VALUATION OF THE PROPERTY OF CARRIERS.

Mr. GOOD. Mr. Speaker, I ask unanimous consent for the present consideration of House joint resolution 472, making an appropriation to continue the valuation of the property of carriers.

Mr. BLANTON. Reserving the right to object, I understand from the chairman of the Appropriations Committee that if this resolution is passed this same item of a million dollars which now appears in the deficiency bill will be taken out of that bill in conference.

Mr. GOOD. That is correct. The deficiency bill which the House adopted carries an item of \$1,000,000 for this purpose, but the deficiency bill can not pass within the next few days, and Chairman Clark, of the Interstate Commerce Commission, advised the committee on yesterday that within 48 hours all of the funds available for the purpose will be exhausted, and if this additional fund is not appropriated they will be compelled to call in their men, and that will entail a considerable expenditure. If this joint resolution is passed, the Senate will unquestionably pass it to-day, and then the \$1,000,000 in the deficiency bill will be dropped out.